

CORPORATE GOVERNANCE REPORT

Your Company believes that strong companies are built on the foundation of good governance practices. Corporate Governance encompasses the effective management of relationships among constituents of the ecosystem - shareholders, management, staff members, customers, vendors, governments, regulatory authorities and community at large. These relationships can be strengthened through corporate fairness, transparency, empowerment and compliance with the law in letter and spirit. Your Company takes proactive approach and revisits its governance practices from time to time so as to meet business and regulatory needs.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company's philosophy on Corporate Governance is aimed at optimizing the balance between stakeholders' interests and corporate goals through the efficient conduct of its business and meeting their obligation in a manner that is guided by transparency, accountability and integrity. It has always been believed that an independent Board

following international practices, transparent disclosures and empowerment of stakeholders are as necessary as solid financial results for creating and sustaining shareholder's value. Your Company is conscious of its responsibility as a good corporate citizen and is committed to a high standard of Corporate Governance practices.

At NIIT, value creation is a philosophy that is ubiquitous across the organisation. Stakeholders are the focus of Company's growth strategy. The Company has ensured stability and growth in a dynamic environment and in competitive times. This has been the Company's commitment since inception.

BOARD OF DIRECTORS

Composition of Board

The composition of the Board of Directors is in conformity with the stipulation laid down in the code of Corporate Governance recommended by the Securities and Exchange Board of India (SEBI) through Clause 49 of the Listing Agreement of the Stock Exchanges.

The Names and Categories of the Directors on the Board, their attendance at Board Meetings held during the Financial Year 2011-12 and at the Last Annual General Meeting and the number of Directorship and Committees Chairmanship/Membership held by them are given hereunder:

Name of Director & DIN	Designation	Category	No. of Board Meetings during the Financial Year 2011-12		No. of Directorships in other Indian Companies*	No. of Membership/ Chairmanship in other Board Committees**		Whether attended last AGM
			Held	Attended		Member	Chairman	
Mr. Rajendra S. Pawar *** (00042516)	Chairman and Managing Director	Promoter & Executive Director	9	8	10	3	1	Yes
Mr. Vijay K. Thadani (00042527)	Chief Executive Officer and Whole-time Director	Promoter & Executive Director	9	8	7	2	3	Yes
Mr. P. Rajendran (00042531)	Chief Operating Officer and Whole-time Director	Executive Director	9	8	7	3	1	Yes
Mr. Subroto Bhattacharya (00009524)	Director	Non-Executive Independent Director	9	8	2	2	1	Yes
Mr. Surendra Singh (00003337)	Director	Non-Executive Independent Director	9	9	5	5	2	Yes
Mr. Sanjay Khosla (00981819)	Director	Non-Executive Independent Director	9	2	-	-	-	No
Ms. Madhabi Puri Buch*** (00016299)	Director	Non-Executive Independent Director	9	4	1	-	-	No

* Directorships do not include private companies, Section 25 companies and companies incorporated outside India.

** Board Committees for this purpose includes only Audit committee and Shareholders'/Investors' Grievance committee of public limited companies.

*** Mr. Rajendra S. Pawar and Ms. Madhabi Puri Buch had participated in the meetings through tele-conference, wherever he/she could not attend in person.

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Note:

No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 1956.

Your Company is managed and guided by a professional Board comprising seven Directors out of which four are Independent Directors, constituting more than half of the Board's total strength. The Directors are eminent persons with considerable professional expertise and experience. The Independent Directors of the Company meet all the criteria mandated by Clause 49 of the Listing Agreement. The Board's role, functions, responsibilities and accountability are clearly defined. In addition to its primary role of monitoring corporate performance, the functions of the Board include:

- Articulating the corporate philosophy and mission;
- Formulating strategic plans;
- Reviewing and approving financial plans and budgets;
- Monitoring corporate performance against strategic plans including overseeing operations;
- Ensuring ethical behaviour and compliance with laws and regulations;
- Reviewing and approving borrowing/lending, investment limits and exposure limits, etc.;
- Keeping Shareholders informed about plans, strategies and performance; and
- Ensuring 100% investors satisfaction.

A brief profile and role of each of the Directors is given below:

Mr. Rajendra S. Pawar

Designation: Chairman and Managing Director

Profile: Mr. Rajendra S. Pawar is the Chairman and Co-Founder of the NIIT Group which encompasses two businesses - NIIT Limited, the leading Global Talent Development Corporation and NIIT Technologies Limited, the software and services company. NIIT Limited has played a key role in the growth of the Indian IT sector, by creating skilled manpower to drive its momentum. Having revolutionized the IT Training industry, Mr. Pawar is now involved in establishing an innovative model in Higher Education. He is deeply engaged in shaping the not-for-profit NIIT University, which has been set up in Neemrana, Rajasthan with the vision of being the leading centre of innovation and learning in emerging areas of the Knowledge Society.

As the Chairman of India's IT industry body- National Association of Software and Service Companies

(NASSCOM) in 2011-12, Mr. Pawar has led several ICT industry initiatives, giving voice to the sector's aspirations and goals. Earlier as President of MAIT (Manufacturers' Association for Information Technology) during 1990-92, Mr. Pawar integrated its activities into those of other leading industry associations in India. MAIT played a significant part in shaping the IT policies of the Government of India during this formative phase.

Acknowledging his contribution to the IT industry in India, Mr. Pawar has been awarded the country's prestigious civilian honour, Padma Bhushan by the President of India in 2011.

Mr. Pawar is a member on the Prime Minister's National Council on Skill Development and has served on the Prime Minister's National Task Force (1998) commissioned to develop India into an IT Superpower. An advisor to the Hunan Province of China, he has also been a member of PIAC (Presidential International Advisory Council) of the Government of South Africa for IT. As a founding member of the International Business Council of the World Economic Forum, Mr. Pawar is deeply engaged in addressing issues of global significance.

Global Business Intelligence firm, Ernst & Young conferred on Mr. Pawar, its prestigious "Master Entrepreneur of the Year" award, in 1999. He has also been named the "IT Man of the Year" by IT industry journal, Dataquest. Mr. Pawar has been awarded 'The Global India Splendor Award' on the occasion of 60th year of India's independence, for his work on developing human resource potential. He has received the Distinguished Alumnus Award of IIT Delhi in 1995 and the Madhav Award from The Scindia School. A Fellow of the Computer Society of India and the Institution of Electronic and Telecommunication Engineers, Mr. Pawar was awarded an Honorary Doctoral Degree by the Rajiv Gandhi Technical University (MP) in 2005. More recently, Mr. Pawar has been honored with the prestigious Nayudamma Award 2012, for his continued contribution to the IT industry in India.

Known for promoting industry-academia alliances, Mr. Pawar has been working closely with the country's well-known educational institutions. He is on the Board of Governors of IIT Delhi, as well as on the Board of IIM Bangalore, IIM Udaipur, the Indian School of Business, Hyderabad, The Scindia School and SMVD University of Jammu & Kashmir. Mr. Pawar is a member of the University Court of Delhi University, and has served on the board of IGNOU.

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Born in Jammu on March 6, 1951, Mr. Pawar studied at The Scindia School in Gwalior and then graduated with a BTech in Electronics from IIT Delhi in 1972. He is an avid reader, writer and a music buff.

Roles and Responsibilities: Mr. Pawar plays a major role in providing thought leadership and strategic inputs to the Company in addition to helping shape new business and driving the strategic HR program in the Company.

Mr. Vijay K. Thadani

Designation: Chief Executive Officer and Whole-time Director

Profile: Mr. Vijay K. Thadani is the Chief Executive Officer of NIIT Limited, a leading Global Talent Development Corporation. As the co-founder of NIIT Group, he has built an organization that is recognised for its visionary role in bringing the benefits of Information Technology, both as a professional skill and as a learning tool, to the masses.

He led the Group's globalization efforts since 1991, taking the NIIT flag to over 40 countries. He serves on the Board of NIIT Technologies Limited, a leading SEI-CMMi Level 5 assessed IT Solutions organisation, servicing customers in the USA, Europe, Japan, Asia Pacific and India.

Mr. Thadani has been actively engaged with many Industry Associations. He has served as the Chairman of CII Northern Region for 2011- 12, Chairman of CII National Committee on Education, India and as the Chairman of the IT Committee of the Confederation of Indian Industry in USA.

He has been the President of the Indian IT industry association, MAIT, chaired the Indian Government's Committee on National Information Infrastructure and served as a member of the Strategy Council of Global Alliance for ICT and Development of the United Nations Department of Economic and Social Affairs (UNDESA-GAID).

Mr. Thadani also has served as the Chairman of the National Accreditation Board for Education and Training (NABET), which works under the aegis of the Quality Council of India and also as Chairman of Board of Governors of Indian Institute of Information Technology (IIIT), Allahabad.

Mr. Thadani is the co-founder of the not-for-profit, NIIT University established in 2009 with a vision of being the leading centre of innovation and learning in emerging areas of the Knowledge Society. He is also a

member of the India Advisory Board of the Maastricht University, Netherlands, India Advisory Board of Project Management Institute (PMI), USA and the Governing Council of All India Management Association (AIMA).

A 'Distinguished Alumnus' of the premier Indian Institute of Technology, Delhi, Mr. Thadani was honored with the position of 'Economic Consultant' to Chongqing, world's largest city in the People's Republic of China.

Roles and Responsibilities: As the Chief Executive Officer of the Company, Mr. Thadani provides strategic direction and oversight to the Chief Executives and Heads of the Company's global businesses namely Career Building solutions, Corporate Learning solutions, School Learning solutions and Skill Building solutions. His responsibilities include leading the Company's Strategic Alliance and Technology partnership initiatives and in addition to oversee the Finance, Investor Relations and Corporate Communications functions. He also serves as the Chairman of the Board of Directors of NIIT USA Inc, NIIT Institute of Finance Banking and Insurance Training Limited and Evolv Services Limited.

Mr. P. Rajendran

Designation: Chief Operating Officer and Whole-time Director

Profile: Mr. P. Rajendran, Chief Operating Officer and Co-founder of NIIT Limited is part of the core team that has developed the organisation and brought it to its present position of international standing, since its inception in 1981. He is an alumnus of Indian Institute of Technology, Delhi.

Today, Mr. Rajendran leads the People and Infrastructure initiatives and the School Solutions Business at NIIT. He facilitates the Company's thrust with Governments in many countries for skills development in a public private partnership mode. A people-person and a believer in leveraging Information Technology for Human Resources competitiveness, he has helped NIIT emerge as one of the most exciting places to work. Under his leadership, the Company has received many awards in recognition of its innovative HR practices, including Aon Hewitt's Best Employers in India- 2011 and 'Best Education Company to Work with' at Indian Education Awards 2011.

Mr. Rajendran is actively associated with industry associations like CII, NASSCOM and FICCI. He is member of the CII National Council, Chairperson of the Task force on ICT & Skills development in CII Africa Council, member of the CII National Committee on

Skills & Human Resources and Chairman of the CII Higher Education Committee.

Mr. Rajendran takes keen interest in the area of innovative deployment of ICT for human development and creation of new jobs.

Roles and Responsibilities: Mr. Rajendran assists the CEO in the management of the operations of the Company. In addition, he leads the corporate teams engaged in Human Resources, Commercial Services, Legal Services and provides oversight for the School Learning solutions business.

Mr. Subroto Bhattacharya

Designation: Independent Director

Profile: Mr. Subroto Bhattacharya is a Chartered Accountant and has an executive programme from Stanford Business School, U.S.A. He has over 35 years of experience and specializes in finance and management consultancy. He has been part of the core team in several reputed organisations. He was invited to Company's Board as an Independent Director in 1998.

Roles and Responsibilities: Mr. Bhattacharya advises the Company on financial and management issues and is the Chairman of the Audit Committee and the Compensation/Remuneration Committee of the Company.

Mr. Surendra Singh

Designation: Independent Director

Profile: Mr. Surendra Singh is an IAS Officer (Retd.). He has a Masters degree in Mathematics from the University of Allahabad. He has held very senior positions in the Central and State Governments. Starting his public service in 1959, Mr. Singh has held positions like Special Secretary to the Prime Minister of India, Cabinet Secretary to the Government of India, Secretary to the Council of Ministers and Secretary, Ministry of Industry. He was an Executive Director on the Board of the World Bank, representing India, Bangladesh, Sri Lanka and Bhutan. He was Director on the Boards of the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA). Mr. Surendra Singh was invited to NIIT's Board as an Independent Director in 2001.

Acknowledging his contribution in civil services, Mr. Singh has been awarded the country's prestigious civilian honour, Padma Bhushan by the President of India

in 2011.

Roles and Responsibilities: Mr. Singh advises the Company on internal controls, audit systems, compensation structure and investor relations. He is the chairman of the Shareholders'/Investors' Grievance Committee and is member of Audit and Compensation/Remuneration Committee of the Company.

Mr. Sanjay Khosla

Designation: Independent Director

Profile: Mr. Sanjay Khosla is currently President, Kraft Developing Markets and responsible for the company's almost US \$ 16 billion business in over 60 countries covering Asia Pacific, Latin America, Central and Eastern Europe, Middle East and Africa. This includes management of the Cadbury business which was acquired by Kraft in 2010. Before joining Kraft Foods in January 2007, he was the Managing Director of Fonterra Brands, New Zealand's largest multinational company and one of the world's biggest dairy companies. Prior to this, Mr. Khosla was Senior Vice President, Global Beverages, Unilever and Chairman of that company's Global Board for the beverages category. During his 27 year career with Unilever, Mr. Khosla held senior positions in India, Europe and the United Kingdom. He has also led lectures on managing international brands and business at Columbia University in New York, University of Chicago, Northwestern University and at IMD in Lausanne, Switzerland.

Mr. Khosla is an alumnus of the premier IIT, Delhi and has completed an Advanced Management Programme from Harvard University. In 1998, he was named as "Marketing Superstar" by the prominent marketing industry publication, "Advertising Age". Mr. Khosla was invited to NIIT's Board as an Independent Director in 2002.

Roles and Responsibilities: Mr. Khosla advises the Company on brand building, marketing strategy, remuneration policies and other matters. He is a member of Compensation/Remuneration Committee of the Company.

Ms. Madhabi Puri Buch

Designation: Independent Director

Profile: Ms. Madhabi Puri Buch is the Head of Greater Pacific Capital Singapore Pte Ltd, a fund management Company that is part of the Greater Pacific Capital Group, a Private Equity Group that invests in the high growth markets of India and China. Prior to her current

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assignment, she was with the ICICI Group for over 15 years. She was the Managing Director and CEO of ICICI Securities Limited (ISEC) from February 2009 to July 2011. She spearheaded ISEC's initiatives in Equity Capital Markets, Advisory Services, Institutional Equities and Retail Equities including ICICIdirect.com. Prior to that she was an Executive Director on the board of ICICI Bank. During her tenure in the bank, she looked after various businesses including home loans, bonds and treasury solutions as well as customer service, back office operations and compliance. She is a Non Executive Director on the board of Idea Cellular Limited and a founder of the trust "Toofless Foundation" that undertakes a variety of initiatives for raising funds for grassroots NGOs.

Ms. Madhabi Puri Buch is a graduate in Mathematics from St. Stephens College, Delhi University and PGDM (MBA) from IIM, Ahmedabad.

Roles and Responsibilities: Ms. Madhabi Puri Buch advises the Company on financial and investment matters. She guides the corporate teams on finance related matters and helps in formulating beneficial investment strategies for the Company. She is member of Audit Committee and Compensation/Remuneration Committee of the Company

Board Meetings

Nine (9) Board Meetings were held during the Financial Year 2011-12 and gap between two meetings did not exceed four months. Board Meetings were held on May 10, 2011, May 22, 2011, June 3, 2011, July 22, 2011, September 30, 2011, October 14, 2011, October 21, 2011, January 20, 2012 and March 23, 2012.

The Company holds at least four Board meetings in a year, one in each quarter to review the financial results. Apart from the four scheduled Board meetings, additional Board meetings are also convened to address the specific requirements of the Company. Urgent matters are also approved by the Board by passing resolutions through circulation. All Directors on the Board are free to suggest any item for inclusion in the agenda for the consideration of the Board.

The necessary information as mentioned in Annexure 1A to Clause 49 of the Listing Agreement has been placed before the Board for their consideration. The Board and/or Committees have, inter-alia, addressed the following key items:

- Three years perspective plan & vision of the

- Company for global eminence;
- Annual business plan;
- Investments and/or loans made by the Company;
- Formation of subsidiary companies (including overseas subsidiary companies);
- Review of operations (including operations of subsidiary companies);
- Strategic acquisitions of companies and critical assets;
- Strategic decisions relating to new ventures;
- Statutory matters;
- Review of payment of remuneration to Directors;
- New alliances;
- Review of minutes of Committee Meetings;
- Review of minutes of Board Meetings of the subsidiary companies;
- Review of foreign exchange exposures;
- Review of annual budgets, capital budgets and utilization of funds;
- Review and adoption of accounts, quarterly and annual financial results;
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of the Chief Financial Officer and Company Secretary;
- Materially important litigations, show cause notice, demand, prosecution and penalty notices;
- Any material default in financial obligations to and by us, or substantial non-payment for goods/services sold/rendered by us;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Any significant development on the human resource matters;
- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business;
- Details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement; and
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non payment of dividend, delay in share transfer etc.

The Company has laid down procedures to inform

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the Board Members about the risk assessment and mitigation procedures.

BOARD COMMITTEES

In accordance with Clause 49 of the Listing Agreement with Stock Exchanges, inter-alia the following Committees are in operation:

- Audit Committee
- Compensation/Remuneration Committee
- Shareholders'/Investors' Grievance Committee

Audit Committee

In line with the statutory provisions of Listing Agreement entered into with Stock Exchanges read with Section 292A of the Companies Act, 1956 and as a measure of good Corporate Governance with a view to provide assistance to the Board in fulfilling its oversight responsibilities, an Audit Committee of the Directors was constituted. Majority of the Members of the Committee are Independent Directors and every Member has rich experience in the financial sector. The Company Secretary acts as Secretary to the Committee. Statutory Auditors, Internal Auditors and Senior Management Personnel of the Company also attend the meetings by invitation. The recommendations of the Audit Committee are placed before the Board for its consideration and approval. The Audit Committee comprises of the following Directors:

Chairman: Mr. Subroto Bhattacharya

Members: Mr. Vijay K. Thadani, Mr. Surendra Singh and Ms. Madhabi Puri Buch*

*Ms. Madhabi Puri Buch was inducted as member of the Audit Committee w.e.f. April 10, 2012.

Functions and Terms of Reference

The terms of reference of Audit Committee are as per Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act, 1956 and includes such other functions as may be assigned to it by the Board from time to time. The main functions of the Audit Committee, inter-alia, include:

- Supervision of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Management Discussion and Analysis of financial condition and results of operations;

- Recommending the appointment, re-appointment and termination of Statutory Auditors, fixation of audit fee and approval of payment for any other services;
- Reviewing the annual financial statements with the CFO and the Management before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement forming part of the Directors' Report in terms of clause (2AA) of Section 217 of the Companies Act, 1956;
 - Changes, if any, in accounting policies and practices and rationale for the same;
 - Significant changes, if any, in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - Draft Auditors' Report including qualifications/ observations, if any.
- Reviewing with the Management, the quarterly financial statements before submission to the Board for approval;
- Reviewing with the Management, performance of statutory and internal auditors, the adequacy of internal control systems;
- Reviewing the internal audit function, including the structure of the Internal Audit Organization, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussions with Internal Auditors, on any significant findings and follow up thereon;
- Reviewing the findings of any Internal Audit Report by the Internal Auditors into matters concerning fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussions with Statutory Auditors, before the audit commences, about the nature and scope of the audit as well as having post-audit discussions to ascertain any area of concern;
- Reviewing the Company's financial and risk management policies; and

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- To look into substantial defaults, if any, in the payment to the Shareholders (in case of non-payment of declared dividends), debentureholders and creditors.

The particulars of the meetings attended by the Members of the Audit Committee and the dates of the meetings held during the financial year 2011-12 are given below:

Name of Members	No. of Meetings during the Financial Year 2011-12		Date of Meetings
	Held	Attended	
Mr. Subroto Bhattacharya	4	4	May 9, 2011
Mr. Surendra Singh	4	4	July 21, 2011
Mr. Vijay K. Thadani	4	4	Oct. 20, 2011
Ms. Madhabi Puri Buch*	N.A.	N.A.	Jan. 19, 2012

*Ms. Madhabi Puri Buch was inducted as member of Audit Committee w.e.f. April 10, 2012.

The Chairman of the Audit Committee attended the previous Annual General Meeting of the Company held on July 1, 2011.

Compensation/Remuneration Committee

The Compensation/Remuneration Committee of the Company is constituted to evaluate and recommend remuneration and benefits for the Executive Directors, to frame policies and systems for Employees Stock Option Plans and to formulate and administer the Company's Employees Stock Option Plans from time to time. Further, the Compensation/Remuneration Committee also acts as Nomination Committee for induction of new directors on the Board of the Company.

The remuneration policy of the Company is aimed to reward performance, based on review of achievements on a regular basis.

The Compensation/Remuneration Committee has been constituted by the Board and it comprises of the following Independent Directors:

Chairman: Mr. Subroto Bhattacharya

Members: Mr. Sanjay Khosla, Mr. Surendra Singh and Ms. Madhabi Puri Buch*

*Ms. Madhabi Puri Buch was inducted as member of Compensation/Remuneration Committee w.e.f. April 10, 2012.

Functions and Terms of Reference

The broad terms of reference of the Compensation/Remuneration Committee of the Company are as

follows:

- To institute and guide global employees compensation and benefit policies;
- To appraise the performance of the Executive Directors;
- To determine and recommend to the Board, compensation payable to Executive Directors;
- To formulate and administer the Company's Employees Stock Option Plans from time to time;
- To make recommendation for nomination of new Directors on the Board; and
- To review the strength, structure, size and composition of the Board and such other matter related to appointment of director.

The particulars of the meetings attended by the Members of the Compensation/Remuneration Committee and the dates of the meetings held during the financial year 2011-12 are given below:

Name of Members	No. of Meetings during the Financial Year 2011-12		Date of Meetings
	Held	Attended	
Mr. Subroto Bhattacharya	4	4	May 22, 2011
Mr. Surendra Singh	4	4	July 22, 2011
Mr. Sanjay Khosla	4	1	Oct. 21, 2011
Ms. Madhabi Puri Buch*	N.A.	N.A.	Jan. 20, 2012

*Ms. Madhabi Puri Buch was inducted as member of Compensation/Remuneration Committee w.e.f. April 10, 2012.

Remuneration Policy

The Compensation/Remuneration Committee has the powers to determine and recommend to the Board the amount of remuneration, including performance-linked bonus and perquisites, payable to the Managing Director and Whole-time Directors. The recommendations of the Committee are based on the evaluation of the performance of Managing Director and Whole-time Directors on certain parameters, as laid down by the Board as part of the evaluation process and Company's Rules/Policies. In terms of the guidelines, the Company ensures that the remuneration payable to Managing Director and Whole-time Directors by way of salary including other allowances and monetary value of perquisites should be within the overall limit as specified under the Companies Act, 1956 and approved by the Shareholders.

Remuneration to Executive Directors

Details of Remuneration paid/payable to Managing Director and Whole-time Directors (Executive Directors) for the financial year 2011-12 and details of Stock Options granted to them are given below:

(Amount in Rs.)

Name of Executive Directors	Salary	Perquisites and Allowances	Contribution to Provident Fund, Superannuation Fund or Annuity Fund	Performance-linked bonus	Total	Stock Options
Mr. Rajendra S. Pawar	4,338,000	4,664,278	1,853,608	4,300,000	15,155,886	Nil
Mr. Vijay K. Thadani	7,224,000	6,940,489	3,086,845	13,550,000	30,801,334	Nil
Mr. P. Rajendran	5,028,000	4,487,956	2,098,407	11,050,000	22,664,363	Nil

Notes:

1. Service Contract of Executive Directors : Until cessation in service
2. Notice period : Six months unless otherwise agreed by the Board
3. Severance fee : None unless otherwise agreed by the Board

Remuneration to Non-Executive Directors

The Non-Executive Directors play an important role in the Governance of the Company and in advising the Board in critical domains like finance, marketing, remuneration, planning and legal matters. Non-Executive Directors do not have any pecuniary relationship or transactions with the Company, its Promoters, its Directors, its Senior Management, its subsidiary companies and associate companies, except the remuneration paid to Non-Executive Directors by way of commission (based on the net profits of the Company and within the limits approved by the Shareholders) and sitting fees (for attending the meetings of the Board, Audit Committee and Compensation/Remuneration Committee). Remuneration in the form of annual commission is paid to all Non-Executive Directors. In addition, based on their contribution of time for Board meetings and Committee meetings, a sitting fee is also paid to Non-Executive Directors. Further, based on the performance of the Company, Stock options had also granted to them from time to time.

Details of Remuneration paid/payable to Non-Executive Directors for the financial year 2011-12 and shares held by them in the Company are given below:

Name of Non-Executive Directors	Commission (in Rs.)	Sitting Fees (in Rs.)	No. of shares held in the Company
Mr. Subroto Bhattacharya	9,00,000	2,40,000	0
Mr. Surendra Singh	8,00,000	2,60,000	56,250
Mr. Sanjay Khosla	6,50,000	40,000	56,250
Ms. Madhabi Puri Buch*	4,00,000	40,000	0

*Ms. Madhabi Puri Buch had not accepted the Sitting Fees and Commission payable to her for the FY 2010-11 as she was associated with ICICI Bank and was given to accept the Directorship of NIIT Limited without any remuneration. For the FY 2011-12 the Sitting Fees and Commission payable to her is calculated on proportionate basis for the period August 2011 to March 2012.

Sitting fees is not payable for attending the board meetings or the committee meetings through audio conferencing.

Details of outstanding Stock Options granted to Non-Executive Directors under ESOP 2005 are given hereunder:

Name of Directors	No. of Options Granted during the Financial Year 2009-10 (Grant V granted on 26.10.2009)	No. of Options granted during the Financial Year 2010-11	No. of Options granted during the Financial Year 2011-12
Mr. Subroto Bhattacharya	69,000	Nil	Nil
Mr. Surendra Singh	69,000	Nil	Nil
Mr. Sanjay Khosla	69,000	Nil	Nil
Ms. Madhabi Puri Buch	N.A.	N.A.	N.A.

** One third of the options vests after completion of each year from the date of grant and the same can be exercised by the end of three years from the date of each vesting.

Disclosures regarding re-appointment of Directors

The resume of the Director who is retiring by rotation, being eligible and proposed to be re-appointed, is provided in the Notice to the Annual General Meeting.

Employees Stock Option Plans

The remuneration policy is directed towards rewarding performance of the employees of the Company. It is aimed at attracting and retaining high caliber talent. The stock option plan, inter-alia, authorizes the Company to grant stock options in pursuit of these goals.

Details of options granted under NIIT Employee Stock Option Scheme

The detail of the options granted under 'NIIT Employee Stock Option Scheme, 2005 (ESOP-2005) is provided in the Directors' Report.

Shareholders'/Investors' Grievance Committee

The Shareholders'/Investors' Grievance Committee was constituted to ensure that all commitment to Shareholders and Investors are met and thus strengthen their relationship with the Company.

The composition of the Shareholders'/Investors' Grievance Committee is as below:

Chairman: Mr. Surendra Singh

Members: Mr. Vijay K. Thadani and Mr. P. Rajendran

Functions and Terms of reference

The functioning and broad terms of reference of the Shareholders'/Investors' Grievance Committee of the Company is as under:

- To review the redressal of complaints received from Shareholders and Investors.
- To review the important circulars issued by SEBI/ stock exchanges.
- To review changes in the shareholding pattern.
- To take note of the compliance of Corporate Governance during the quarter/year.

The particulars of the meetings attended by the Members of the Shareholders'/Investors' Grievance Committee and the dates of the meetings held during the financial year 2011-12 are given below:

Name of Members	No. of Meetings during the financial year 2011-12		Date of Meetings
	Held	Attended	
Mr. Surendra Singh	4	4	May 9, 2011
Mr. Vijay K. Thadani	4	4	July 21, 2011
Mr. P. Rajendran	4	4	Oct. 20, 2011 Jan. 19, 2012

Mr. Rajesh Arora, Company Secretary is the Compliance Officer of the Company.

During the financial year 2011-12, the Company has received request/queries/complaints from various Shareholders/Investors relating to non-receipt of declared dividend/bonus shares/Annual Report, change of bank account details, transfer of shares/dematerialization, etc. The same were addressed and resolved to the satisfaction of the Shareholders/

Investors. The break-up of the letters received from the Shareholders/Investors are provided in Shareholders' Information section at the end of this Report. As on March 31, 2012, no request/query/complaint was pending for redressal.

Other Committees of the Board of Directors

Apart from above committees, the Board has constituted the following committees of the Directors for efficient and quick decision-making on the affairs of the Company:

- The Operations Committee which approves the opening/closing of bank accounts, modification in operation of bank accounts, grant of power of attorney/authorisation, etc.
- The Share Allotment Committee, which approves allotment, split, consolidation, rematerialisation and issue of new and duplicate shares.
- The Debenture Allotment Committee which approves the matters related to issue and allotment of Debentures and matters related thereto.
- The Borrowing Committee which approves the borrowing upto prescribed limit on behalf of the Company.

CODE OF CONDUCT

NIIT's Board has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The Code of Conduct is available on the Company's website www.niit.com/investorrelations. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct during the financial year 2011-12. A declaration signed by the Chief Executive Officer (CEO) to this effect is annexed to this report.

CEO AND CFO CERTIFICATION

In terms of Clause 49 (V) of the Listing Agreement, Certificate issued by Chief Executive Officer and Chief Financial Officer confirming that the financial statement presents the true and fair view of the Company's affairs and are in compliance with existing accounting standards, internal control and disclosures, is annexed to this report.

SUBSIDIARY COMPANIES

Clause 49 of the Listing Agreement defines a "material non-listed subsidiary" as an unlisted subsidiary company, incorporated in India, whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20 percent of the consolidated turnover or net worth respectively, of

CORPORATE GOVERNANCE REPORT (Contd.)

the listed holding company and its subsidiary companies in the immediately preceding accounting year. As per this provision, the Company does not have a 'material non-listed Indian subsidiary company'.

GENERAL MEETINGS

Details of the last three Annual General Meetings (AGM) and the Special Resolution(s) passed there at are given as follows:

Financial Year	Date & Time	Location	Special Resolution(s)
2010-11	July 1, 2011 10.00 A.M.	Parkland Exotica, Khasra No. 123, Chattarpur Mandir Road, Satbari, New Delhi-110074	Re-appointment of Mr. Rajendra S. Pawar as Managing Director of the Company.
2009-10	July 9, 2010 11.30 A.M.	Parkland Exotica, Khasra No. 123, Chattarpur Mandir Road, Satbari, New Delhi-110074	Payment of Commission to Non- Executive Directors of the Company.
2008-09	July 27, 2009 11.00 A.M.	FICCI Auditorium, Tansen Marg, New Delhi – 110001	No Special Resolution passed in the AGM

Note: No Extra-ordinary General Meeting was held during the last three years.

Postal Ballot

During the preceding financial year, no resolution was passed through postal ballot and presently no resolution has been proposed to be passed through postal ballot.

DISCLOSURES

a.) Related Party Transactions

There is no Related Party Transaction that may have potential conflict with the interest of the Company at large. The Company's major Related Party Transactions are generally with its subsidiary and associate companies. The Related Party Transactions are entered into based on the considerations of various business exigencies and Company's long term strategy. All the transactions entered during the financial year 2011-12 with Related Parties were on arm length basis and the same are reported under Notes to the Financial Statements.

All transactions covered under Related Party Transactions are regularly/periodically ratified and/ or approved by the Board/Audit Committee. For details please refer Note No. 36 of the Annual Accounts of the Company.

b.) Compliance

The Company has complied with the requirements

of the Stock Exchanges, SEBI and Statutory Authorities on all matters related to the capital market during the last three years. There are no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority (ies) relating to the above.

c.) Risk Management

The Company has laid down procedures to inform the Board Members about the risk assessment and minimization procedures. The online risk management system is introduced through which all the designated officials submit quarterly reports which are reviewed periodically to ensure effective risk management.

d) Proceeds from the public issue/right issue/preferential issues etc.

There was no fresh public issue/right issue/preferential issues etc. during the financial year 2011-12.

e) Remuneration of Non- Executive Directors

The Company has defined its criteria of making payment of remuneration to its Non-Executive Directors. The details are stated in the section 'Remuneration Policy' of the report.

f) Management Discussion and Analysis

There is a separate part on Management Discussion and Analysis in the Annual Report.

g) Inter-se relationships between Directors

There is no inter-se relationship between Directors of the Company

COMPLIANCE OF THE REQUIREMENT OF CLAUSE 49 OF THE LISTING AGREEMENT

A. Mandatory Requirements

The Company has complied with all the applicable mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchanges.

B. Non-mandatory Requirements

The Company has adopted following non-mandatory requirements of Clause 49 of the Listing Agreement:

a) **Remuneration Committee:** The Company has setup a Remuneration Committee, details of which has been given earlier in this report.

CORPORATE GOVERNANCE REPORT (Contd.)

- b) **Shareholders' Rights:** The Company sends financial statements along with Directors' report and Auditors' report to all the Shareholders every year.
 - c) **Training of Board Members:** Board Members participate in relevant conferences and industry forums as part of their training.
 - d) **Mechanism for evaluating Non-Executive Board Members:** The key parameters are contributions to the strategy for growth of the Company, setting directions for improvement in governance and participating in the relevant meetings on a regular basis.
 - e) **Whistle Blower Policy:** The culture of openness with easy access to the Senior Management provides an environment for easy and free exchange of ideas and issues faced by people in the Company. A formal whistle blower policy is not in place. Employees may report to the Management concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct.
- C. Code for prevention of Insider-Trading Practices**

In compliance with the SEBI's regulations on prevention of insider trading, the Company has instituted a comprehensive Code of Conduct for its Promoters, Directors and Designated Employees. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of NIIT and cautioning them of the consequences of violations.

D. Accounting Treatment in preparation of financial statements

The company has followed the professional pronouncement of ICAI and accounting standards as notified under Section 211 (3C) of the Companies Act, 1956 and as per the Companies (Accounting Standard) Rules, 2006, in the preparation of financial statements of the company and there has been no deviation from the aforesaid accounting standard/pronouncement.

E. Statutory Compliance

The Company has a system in place whereby all business heads/unit heads provide Compliance Certificates to the Board of Directors through the

Compliance Officer of the Company relating to compliance of laws, rules, regulations and guidelines applicable to their areas of operation. The Company takes appropriate steps after consulting internally and if necessary, with independent legal counsels to ensure that the business operations are not in contravention of any laws. The Company takes all measures to register and protect Intellectual Property Rights including tradenames/service marks/trademarks/patents, etc., belonging to the Company.

F. Corporate Governance - Voluntary Guidelines 2009

The Ministry of Corporate Affairs has issued the 'Corporate Governance-Voluntary Guidelines 2009', for voluntary adoption by the Corporate Sector for further improvement of corporate governance standards and practices. These Guidelines intends to provide corporate sector a framework to govern themselves voluntarily as per the highest standards of ethical and responsible conduct of business.

- (i) In this reference the Company has authorized Compensation/Remuneration Committee to determine and set the criteria for induction of new directors on the Board of the Company, review the strength, structure, size and composition of the Board and such other matter related to appointment of Directors.
- (ii) Secretarial Audit: A qualified Practicing Company Secretary has also carried out the Secretarial Audit of the Company for the Financial Year 2011-12 for ensuring the compliance with provisions of Companies Act, 1956, Listing Agreement, SEBI Regulations on Takeover, Insider Trading etc.

The other clauses of the said voluntary guidelines are being reviewed by the management and will be implemented in a phase manner.

MEANS OF COMMUNICATION

- a. The quarterly/half yearly/annual results during the year were published in the national English and Hindi Newspapers and displayed on the website of the Company www.niit.com/investorrelations and official news releases, financial results, consolidated news releases, consolidated financial highlights and presentations etc. are also displayed at the Company's website.
- b. During the financial year 2011-12, the Company published its financial results in the following newspapers:

CORPORATE GOVERNANCE REPORT (Contd.)

Financial Results	Newspapers	Date of publication
Audited financial results for the quarter ended March 31, 2011	Financial Express – English Jansatta – Hindi	May 11, 2011
Unaudited financial results for the quarter ended June 30, 2011	Financial Express – English Jansatta – Hindi	July 23, 2011
Unaudited financial results for the quarter ended September 30, 2011	Financial Express – English Jansatta – Hindi	Oct. 22, 2011
Unaudited financial results for the quarter ended December 31, 2011	Financial Express – English Jansatta – Hindi	Jan. 21, 2012

- c. The Company had quarterly Investors teleconferences and press conferences on May 10, 2011, July 22, 2011, October 21, 2011 and January 20, 2012 for the Investors of the Company immediately after the declaration of quarterly/ annual results. In addition, an Annual Investor Meet (for institutional investors) was also organized in Mumbai on May 11, 2011.
- d. The management perspective, business review and financial highlights are part of the Annual Report.
- e. The quarterly distribution of shareholding is also displayed on the Company's website.

GREEN INITIATIVE IN THE CORPORATE GOVERNANCE BY MINISTRY OF CORPORATE AFFAIRS

The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and had issued circulars on April 21, 2011 and April 29, 2011 stating that the service of official documents by a company to its members can be made through electronic mode.

Considering the move taken by the MCA as a welcome step, the Company had sent the Annual Report for the financial year 2010-11 in electronic form to the e-mail IDs made available to the Company by the depositories and/or Members. All the official documents including Annual Report of the Company, circulated to the Members of the Company through electronic mode, were made available on the Company's website www.niit.com.

This year also, the Company will send the Annual Report including various notices/documents like Notices of General Meetings, Audited Financial Statements, Auditors' Report, Directors' Report and Financial Results in electronic mode.

The members are requested to provide their email IDs with their depository participants in case shares are held in electronic mode to ensure that the Annual Reports and other documents reach them at their preferred email IDs and where the shares are held in physical form, please get their email IDs updated in the records of the Company.

SHAREHOLDERS' INFORMATION

a. Company Registration Details

The Company is registered in the National Capital Territory of Delhi. The Corporate Identity Number (CIN) allotted to the Company by the MCA is L74899DL1981PLC015865.

b. Annual General Meeting

Date : Monday, July 2, 2012

Time : 10:00 A.M.

Venue : Mapple Exotica, Khasra No. 123,
Chattarpur Mandir Road, Satbari,
New Delhi- 110074

Book Closure Dates: June 22, 2012 to July 2, 2012 (both days inclusive)

c. Financial Year : April 1 to March 31

Financial Calendar (tentative and subject to change):

Financial reporting for the first quarter ending June 30, 2012	By August 14, 2012
Financial reporting for the second quarter ending September 30, 2012	By November 14, 2012
Financial reporting for the third quarter ending December 31, 2012	By February 14, 2013
Financial reporting for the year ending March 31, 2013	By May 30, 2013
Annual General Meeting for the year ending March 31, 2013	By August 31, 2013

d. Dividend

The Board of Directors has recommended a dividend of Rs. 1.60 per equity share of Rs. 2 each, subject to approval of the Shareholders' at the ensuing Annual General Meeting. The dividend shall be paid to the Shareholders within 30 days from the date of approval at the Annual General Meeting and as per the provisions of the Companies Act, 1956. The dividend, if declared, would be paid to such shareholders whose names appear in the Register of Members as on July 2, 2012, holding shares in physical form. In respect

CORPORATE GOVERNANCE REPORT (Contd.)

of shares held in electronic mode, the dividend will be paid on the basis of list of beneficial owners as furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of the business hours on June 21, 2012.

e. Register ECS Mandate and furnish correct bank account particulars with Company/Depository Participant

Investors shall provide an ECS mandate to the Company in case of shares held in physical form and ensure that the correct and updated particulars of their bank account are available with the Company and with the Depository Participant (DP) in case of shares held in demat form. This would facilitate in receiving direct credits of dividends, refunds etc, from the Company and avoiding postal delays and loss in transit.

f. Unclaimed/Unpaid Dividend

All unclaimed/unpaid dividends due for the Financial Year ended upto March 31, 2004 have been transferred to the Investor Education and Protection Fund (IEPF) of the Central Government pursuant to Section 205A of the Companies Act, 1956.

The Shareholders are requested to apply for revalidation/issue of demand drafts for the dividend for the Financial Year ending March 31, 2005 on or before August 02, 2012 after which any unpaid dividend amount for the Financial Year 2004-2005 will be transferred to IEPF by the Company and no claim shall lie against the Company or IEPF after the said transfer.

g. Unclaimed Shares

As mandated under the Clause 5A of the Listing Agreement, the Company is required to transfer the unclaimed shares in the Demat Suspense Account to be opened with the Depository Participant. In view of this, the Company has already sent three reminder notices to all those shareholders whose shares are unclaimed and now the Company is in process of transferring the unclaimed shares to "NIIT Unclaimed suspense account". Corporate benefits, if any accruing on these shares shall be

credited to "NIIT Unclaimed suspense account" and dividend benefits, if any shall be transferred to a separate bank account opened specially for this purpose.

h. Nomination Facility

The Companies (Amendment) Act, 1999, has provided for a nomination facility to the Shareholders of the Company. The Company is pleased to offer the facility of nomination to Shareholders and Shareholders may avail this facility by sending the duly completed Form 2B to the Registered Office of the Company/Registrar and Transfer Agent of the Company in case the shareholding is in physical form. The shareholders can obtain a copy of Form 2B from the Registered Office of the Company or can download it from the website of the Company at www.niit.com/investorrelations. In case of demat holdings the request may be submitted to the Depository Participant.

i. Listing of Equity Shares and Debentures

The Equity Shares of the Company are listed at the National Stock Exchange of India Limited (NSE), Mumbai and Bombay Stock Exchange Limited (BSE), Mumbai. The listing fees for the financial year 2012-13 have been paid to the Stock Exchanges.

The Debentures issued by the Company on private placement basis are listed at the NSE. The listing fees for the financial year 2012-13 have been paid to NSE.

j. Compliance Certificate of the Auditors

Certificate obtained from the Statutory Auditors of the Company, confirming compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement, is annexed to this Report.

k. Details of last three Annual General Meetings and Book Closure dates:

Annual General Meeting	Date when held	Book Closure (both days inclusive)
28 th AGM	Friday, July 1, 2011	Friday, June 24, 2011 to Friday, July 1, 2011
27 th AGM	Friday, July 9, 2010	Friday, July 2, 2010 to Friday, July 9, 2010
26 th AGM	Monday, July 27, 2009	Tuesday, July 21, 2009 to Monday, July 27, 2009

I. Stock Code

Trading symbol on the NSE : NIITLTD
 Trading symbol on the BSE (Scrip Code) : NIIT (500304)
 ISIN No. of Equity Shares at NSDL/CDSL : INE 161A01038

m. Stock Market Data

The monthly high and low share prices and market capitalization of Equity Shares of the Company traded on BSE and NSE from April 1, 2011 to March 31, 2012 and the comparison of share prices of the Company vis-à-vis the Sensex and Nifty Indices are given below:

Share price movement during the year April 1, 2011 to March 31, 2012:

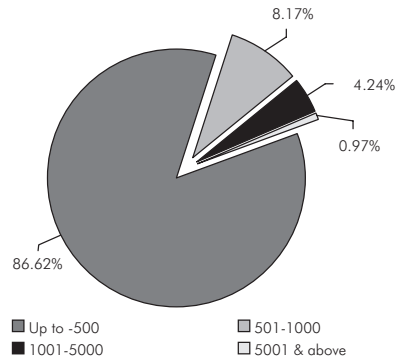
Month	Bombay Stock Exchange				National Stock Exchange			
	Sensex	High Price (Rs.)	Low Price (Rs.)	Market Cap* (Rs Mn)	Nifty	High Price (Rs.)	Low Price (Rs.)	Market Cap* (Rs Mn)
Apr-11	19136	59.80	53.35	9,270	5750	59.8	53	9,254
May-11	18503	58.65	50.15	9,212	5560	58.5	50.25	9,245
Jun-11	18846	57.60	51.60	9,122	5647	57.75	52.2	9,146
Jul-11	18197	59.60	53.60	9,113	5482	59.45	53.6	9,122
Aug-11	16677	55.90	43.00	7,677	5001	55.9	44	7,685
Sep-11	16454	48.40	43.05	7,264	4943	48.6	43.15	7,264
Oct-11	17705	52.30	40.80	7,949	5327	52.5	42.1	7,933
Nov-11	16123	49.20	42.65	7,264	4832	49.4	42.5	7,289
Dec-11	15455	48.00	34.40	6,018	4624	47.95	34.45	6,051
Jan-12	17194	46.80	37.25	6,951	5199	46.7	37.2	6,951
Feb-12	17753	52.60	41.40	7,867	5385	54.4	41.4	7,883
Mar-12	17404	56.25	44.10	8,940	5296	56.4	44.1	8,998

* Market capitalization at closing price of the month
 Source: BSE & NSE website.

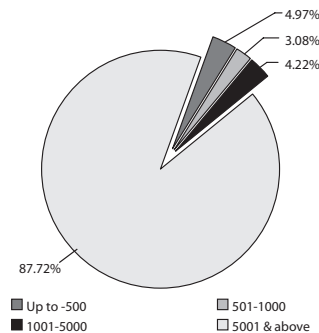
Shareholding Distribution as on March 31, 2012

Range (No. of Shares)	No. of Shareholders	% to Total Shareholders	Total No. of Shares	% to Total Shares
Up to -500	68,231	86.623	8,201,415	4.968
501-1000	6,432	8.166	5,092,670	3.085
1001-5000	3,340	4.24	6,974,064	4.224
5001 & above	765	0.97	144,827,448	87.724
TOTAL	78,768	100.00	165,095,597	100.00

No. of Shareholders

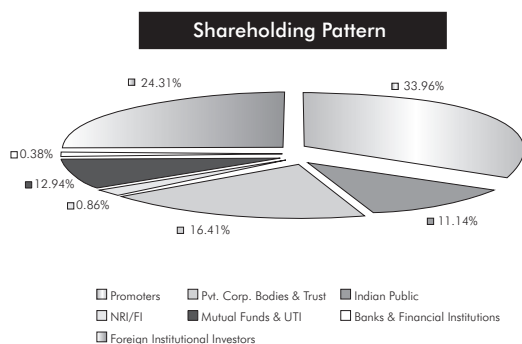


Total No. of Shares



Shareholding Pattern as on March 31, 2012

Category	No. of shares held (face value of Rs. 2 each)	Percentage of total shareholding
Promoters' Holding		
Indian Promoters	56,072,908	33.96
Foreign Promoters	-	-
Total Promoters' Holding	56,072,908	33.96
Public Shareholding		
Mutual Funds and UTI	21,362,373	12.94
Banks, Financial Institutions & Insurance Companies	630,223	0.38
Foreign Institutional Investors	40,135,906	24.31
Private Corporate Bodies & Trust	18,385,085	11.14
Indian Public	27,096,164	16.41
NR/Foreign Individuals	1,412,938	0.86
Total Public Shareholding	109,022,689	66.04
Grand Total	165,095,597	100.00



n. Details of requests/queries/complaints received and resolved during the financial year 2011-12:

Nature	Request/queries received	Complaints	Resolved	Un-resolved
Change of address	24	-	24	-
Change of Bank details	38	-	38	-
Correction in dividend warrant	102	-	102	-
Non Receipt of Annual Report	-	3	3	-
Non receipt of Dividend	-	24	24	-
Non Receipt of Share certificates lodged for transmission/Bonus/Split	-	3	3	-
Requests for Annual Report	8	-	8	-
Requests for Bonus/Split share certificates	20	-	20	-
Requests for shareholding details	13	-	13	-
Request for Duplicate Shares	2	-	2	-
SEBI/Stock Exchange letters	-	5	5	-
Share certificates lodged for transfer	13	-	13	-
Others (non classified in above)	3	-	3	-
Total	223	35	258	-

There was no request/query/complaint pending at the beginning of the year. During the financial year, the Company attended most of the Shareholders'/ Investors' requests/queries/complaints within 15 days from the date of receipt. The exceptions have been for cases constrained by procedural issue or disputes/legal impediments etc. There is no request/query/complaint pending at the end of the financial year.

o. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

As on date there are no outstanding warrants/bonds/other instruments (except Stock Options granted under NIIT ESOP 2005, the details of which are given in Directors Report) which are convertible into equity shares.

p. Dematerialisation of Shares and Liquidity

The Shares of the Company are compulsorily traded in dematerialised form. The Company has arrangements with both the National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to establish electronic connectivity of its shares for scripless trading. As on March 31, 2012, 99.26 percent of the shares of the Company were held in a dematerialised form.

q. Consolidate multiple folios

Investors should consolidate their shareholding held in multiple folios. This would facilitate onestop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor multiple folios.

r. Liquidity of Shares

The shares of the Company are traded electronically on the NSE and BSE. The Company's shares continued to be part of BSE- 500 Index of BSE.

s. Share Transfer System

The Company has appointed a common Registrar for the physical share transfer and dematerialisation of shares. The shares lodged for physical transfer/transmission/transposition are registered normally within a period of fortnight, if the documents are complete in all respects. For this purpose, the Share Transfer Committee meets as often as required. During the financial year under review, the Committee met 15 times. Adequate care is taken to ensure that no transfers are pending for more than a fortnight. Requests for demat/remat were confirmed mostly within a fortnight. The Company obtains from a Company Secretary in Practice half-yearly certificates of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges and files a copy of the certificate with the Stock Exchanges.

t. Permanent Account Number for transfer of shares in physical form

SEBI vide its Circular dated May 20, 2009 has stated that for securities market transactions and off-market transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company's RTA for registration of such transfer of shares. Accordingly, shareholders

CORPORATE GOVERNANCE REPORT (Contd.)

are requested to please furnish copy of PAN card to the Company's RTA for registration of transfer of shares in their name.

u. Compliance Officer

Mr. Rajesh Arora, Company Secretary is the Compliance Officer of the Company.

v. Designated exclusive email-id :

The Company has designated an email-id "investors@niit.com" exclusively for Shareholders and Investors servicing.

w. Registrar for Dematerialisation and Physical Transfer of Shares

The Company has appointed a Registrar for dematerialisation (Electronic Mode) and physical transfer of shares whose detail is given below:-

Alankit Assignments Limited

Unit: NIIT Limited

2E/21, Jhandewalan Extension

New Delhi – 110 055.

Phone Nos. : +91 11 42541234, 23541234

Fax Nos. : +91 11 42541967,

e-mail : rta@alankit.com

x. Registered Office:

NIIT Limited,

B-234, Okhla Industrial Area,

Phase – I, New Delhi - 110 020, India

y. Address for Correspondence

The Shareholders may address their communication/suggestions/grievances/queries relating to the shares of the Company to:

The Compliance Officer

NIIT Limited

Investors Services

B-234, Okhla Industrial Area, Phase – I,

New Delhi - 110 020, India

Tel Nos. : +91 11 41407000

Fax: +91 11 26817344

e-mail: investors@niit.com

The Corporate Governance Report was adopted by the Board of Directors at their meeting held on May 9, 2012.

CORPORATE GOVERNANCE REPORT (Contd.)

CERTIFICATES UNDER CORPORATE GOVERNANCE REPORT

A. Declaration regarding compliance with the Code of Conduct by Board Members and Senior Management Personnel pursuant to Clause 49(1)(D)(ii) of the Listing Agreement

This is to certify that as per Clause 49 of the Listing Agreement:

1. The Code of Conduct has been laid down for all the Board Members and Senior Management and other employees of the Company.
2. The Code of Conduct has been posted on the website of the Company.
3. The Board Members and Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the year 2011-12.

Place : New Delhi

Date : May 9, 2012

Vijay K. Thadani

CEO and Whole-time Director

B. Certificate by Chief Executive Officer and Chief Financial Officer on compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement

To,

The Board of Directors,

NIIT Limited

B-234, Okhla Industrial Area, Phase-I

New Delhi - 110 020

We hereby certify that for the financial year 2011-12:

1. We have reviewed the financial statements and the cash flow statement and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2011-12 which are fraudulent, illegal or violate the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee those deficiencies, if any, of which we are aware, in the design or operation of the internal control systems and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee:
 - significant changes, if any, in internal control over financial reporting during this year;
 - significant changes, if any, in accounting policies during this year 2011-12 and that the same have been disclosed in the notes to the financial statements; and
 - instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : New Delhi

Date : May 9, 2012

Vijay K. Thadani

CEO and Whole-time Director

Rohit Kumar Gupta

Chief Financial Officer

CORPORATE GOVERNANCE REPORT (Contd.)

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of NIIT Limited,

We have examined the compliance of conditions of Corporate Governance by NIIT Limited, for the year ended March 31, 2012, as stipulated in Clause 49 of the Listing Agreements of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Price Waterhouse
Firm Registration Number : 301112E
Chartered Accountants

Place : New Delhi
Date : May 9, 2012

Usha Rajeev
Partner
Membership No. F-087191