

AKM SYSTEMS PRIVATE LIMITED

Regd. Office: 1st Floor, The Great Eastern Centre, Behind IFCI Tower, 70 Nehru Place, New Delhi-110019
Corporate Identity Number (CIN) : U74899DL1984PTC018546
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January 19, 2017

To,

The Board of Directors,
NIIT Limited,
85, Sector 32,
Institutional Gurgaon,
Haryana -122001,
India

Subject: Request for reclassification of shareholding of AKM Systems Private Limited ("AKM Systems") in NIIT Limited ("NIIT")

Dear Members of the Board,

As you may be aware, AKM Systems holds 38,46,962 equity shares of NIIT, as of date, constituting an aggregate of 2.32% of the total paid-up share capital of NIIT. Further AKM Systems has been reported/classified as "Promoter/Promoter Group" in the various disclosures made to NIIT/stock exchanges from time to time.

Background:

Glad Investments Private Limited ("**Glad Investments**") had subscribed the equity shares of NIIT and had become a shareholder of the NIIT in 1992, prior to the public issue of equity shares by NIIT in 1993. For the purposes of the public issue of the equity shares NIIT issued a prospectus ("**NIIT IPO Prospectus**"). At the time of issue of the NIIT IPO Prospectus, shareholding of Glad Investment was locked-in under the category of "promoters, directors, their relatives, friends and associates".

Further, as per the requirements of Regulation 8 of Securities and Exchange Board of India ("**SEBI**") (Substantial Acquisition and Takeovers) Regulations 1997 ("**1997 Takeover Regulations**"), Glad Investments made initial disclosure of its shareholding under the category of "Promoter/Promoter Group" for the financial year ended March 31, 1997. Since 1997, Glad Investments has been submitting disclosures of its shareholding to NIIT under 1997 Takeover Regulations and the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 ("**Takeover Regulations**") under the category of "Promoter / Promoter Group".

Later, Glad Investments was merged into AKM Systems on January 08, 2004 pursuant to a Court Order and accordingly all the investment of Glad Investments, including equity shares held by Glad Investments in NIIT, were vested in and became the investments of AKM Systems. Subsequently, AKM Systems has traded in the shares of NIIT, acquiring and disposing of equity shares of NIIT, and necessary disclosures have been made in this regard, from time to time.

Corporate Office & Head office: 143 Golf Links, New Delhi-110003



Submission:

AKM Systems has reviewed the position and would like to state to the Board of Directors of NIIT that:

- AKM Systems is not/has never been in control of the affairs of NIIT, either directly or indirectly, whether as shareholder, director or otherwise, singly or together with any other person; and
- the Board of Directors of NIIT has/have never acted in accordance with any advice, directions or instructions of AKM Systems, acting singly or together with any other person.
- AKM Systems has/had no representation on the Board of NIIT.

Further, AKM Systems does not fall under the definitions of Promoter and Promoter Group, as provided in applicable statutes/regulations and explained hereunder:

- (A) AKM Systems does not fall under the definition of “promoter” as defined in Regulation 2(za) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“**ICDR Regulations**”), for the following reasons:
- (i) AKM Systems is not/has never been in control of NIIT;
 - (ii) AKM Systems has not been instrumental in the formulation of any plan or programme pursuant to which specified securities have been offered to the public; and
 - (iii) AKM Systems has not been named in the offer documents of NIIT as a promoter.

Furthermore, AKM Systems does not fall under the definition of “Promoter Group” as defined in Regulation 2(zb) of the ICDR Regulations.

The expressions “Promoter” and “Promoter Group” have been defined in terms of the Takeover Regulations and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”) as having the meaning ascribed to them in the ICDR Regulations.

- (B) Except for the fact that AKM Systems has been identified as a “promoter” for the purposes of the annual returns filed under Section 92 of the Companies Act, 2013 (“**Companies Act**”) for the years ending March 31, 2014, March 31, 2015 and March 31, 2016, AKM Systems does not otherwise fall under the definition of “promoter” as defined in Section 2(69) of the Companies Act or under Section 62(6)(a) of the Companies Act, 1956, for the following reasons:
- (i) AKM Systems was not named in the NIIT IPO Prospectus of NIIT issued at the time of the NIIT’s initial public offering in the year 1993;
 - (ii) AKM Systems was not party to the preparation of the NIIT IPO Prospectus or of any portion of the said prospectus;
 - (iii) AKM Systems is not/ has never been in control of the affairs of NIIT, either directly or indirectly, whether as shareholder, director or otherwise, whether singly or together with any other person; and
 - (iv) the Board of Directors of NIIT has/have never acted in accordance with the advice, directions or instructions of AKM Systems, acting singly or together with any other person.



The aforesaid disclosures had been made in the "annual returns", as a continuation of, and for the purposes of harmonising the practise of identifying AKM Systems under the category of "promoter/promoter group" in relation to the disclosures to the stock exchanges.

As seen from the above, AKM Systems no longer falls under the definition of "Promoter" or "Promoter Group" as defined under the Takeover Regulations, the ICDR Regulations, or the LODR Regulations, while in the past:

- (A) the shares held by AKM Systems may have been subjected to a lock-in applicable to "promoters" under the Guidelines for Disclosures and Investor Protection dated June 11, 1992 issued by SEBI read with the SEBI's Press Release dated October 10, 1994, on grounds of AKM Systems falling under the category of "friends"; and
- (B) AKM Systems might have fallen under the scope of the definition of "promoter" in terms of the 1997 Takeover Regulations on account of the disclosures made to the stock exchanges, since 1997, containing the shareholding pattern of NIIT.

Furthermore, AKM Systems does not fall under the scope of the definition of "promoter" as provided in Section 2(69) of the Companies Act or in Section 62(6)(a) of the Companies Act, 1956, but for being identified under as a "promoter" for the purposes of Section 92 of the Companies Act as explained above.

AKM Systems hereby undertakes and confirms that:

- (i) AKM Systems is not connected, directly or indirectly, whatsoever, with any activity of NIIT;
- (ii) AKM Systems was not named under the category of "promoter" in the NIIT IPO Prospectus;
- (iii) AKM Systems was not party to the preparation of the NIIT IPO Prospectus or any part of the NIIT IPO Prospectus nor has AKM Systems been instrumental in the formulation of any plan or programme pursuant to which specified securities of NIIT have been offered to the public;
- (iv) AKM Systems holds only 2.32% of the total paid-up equity capital of the entity and is not in control of NIIT;
- (v) AKM Systems is not controlling the affairs of NIIT, either directly or indirectly, or, on its own or through any relative or any person acting in concert;
- (vi) AKM Systems has/had never entered into, nor, are there, any arrangements pursuant to which AKM Systems has/had been granted any special rights in NIIT through any formal or informal arrangements; and
- (vii) AKM Systems nor any of its group companies or their nominees nor any of its promoters or their relatives had been/have been appointed as key managerial persons of NIIT; and,
- (viii) AKM Systems has/had never been privy to any price sensitive information concerning NIIT.

Accordingly, in light of the aforesaid, we request NIIT to re-classify AKM Systems from the category of "Promoter/ Promoter Group" to category of "Public", and ensure that NIIT's future filings with any regulatory/statutory body including stock exchanges, Registrar of Companies (Ministry of Corporate Affairs), Reserve Bank of India etc., do not disclose AKM Systems under the category of "Promoter/ Promoter Group" pursuant to such re-classification.

In this regard, we request you to undertake all necessary actions, including obtaining prior permissions from SEBI and the stock exchanges, as applicable. AKM Systems shall extend all necessary cooperation, including undertaking filing of any document and providing any undertaking, as may be required in this regard.



Looking forward to your expedient co-operation and action in this regard.

Yours Sincerely,
for AKM Systems Private Limited

S. Malhotra

Name: Shivan Malhotra
Designation: Director



AKM SYSTEMS PRIVATE LIMITED

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19 January, 2017

To,

The Board of Directors of NIIT Limited,
NIIT Limited,
85, Sector 32,
Institutional Gurgaon,
Haryana -122001,
India

Subject: Request for reclassification of shareholding of AKM Systems Private Limited
("Company") in NIIT Limited ("NIIT")

Dear Members of the Board,

Further to our letter dated 19 January, 2017, we hereby undertake and confirm as follows:

1. The Company together with any persons acting in concern does not hold more than ten percent of the total paid-up equity capital of NIIT.
2. No regulatory action is pending against the Company.
3. No special rights were ever acquired by the Company either under any shareholders' agreements or otherwise, and accordingly, the Company has no existing special rights in NIIT.
4. Post-reclassification, the Company shall not exercise direct or indirect control over NIIT nor have any special rights through any formal or informal arrangements.
5. The reclassification process has not been initiated to achieve the minimum public shareholding.
6. The Company nor any of its group companies or their nominees nor any of its promoters or their relatives have been appointed as key managerial persons of NIIT.

Yours Sincerely,
for AKM Systems Private Limited



Name: Shivan Malhotra
Designation: Director

