DRAFT INFORMATION MEMORANDUM

Dated: June 27, 2023
(Private & Confidential)

NIIT LEARNING SYSTEMS LIMITED

Our Company was incorporated as an unlisted public company under the provisions of Companies Act, 1956 on July 16, 2001, within the jurisdiction of the Registrar of Companies, NCT of Delhi & Haryana. Our Company is engaged in learning outsourcing and provides Managed Training Services (MTS) to leading companies and institutions in 30+ countries across the globe. NIIT's comprehensive suite of managed training services (NIIT MTS) helps its customers transform their learning ecosystems while increasing the business value of learning. NIIT MTS provides comprehensive, high-impact managed learning solutions that weave together the best of learning theory, technology, operations, and services to enable a thriving workforce. For details, refer to section titled "History and Certain Corporate Matters" on page 49 of this Information Memorandum.

Corporate Identification Number: U72200HR2001PLC099478
Registered Office: Plot No. 85 Sector 32, Institutional Area, Gurugram – 122001, Haryana, India
Corporate Office: Infocity, A-24, Sector 34, Gurugram - 122001, Haryana, India
E-mail: investors@niitmts.com; **Website:** www.niitmts.com
Contact Person: Deepak Bansal (Company Secretary and Compliance Officer), **Tel.:** +91 124 429 3000

NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS INFORMATION MEMORANDUM

PROMOTERS OF OUR COMPANY
Rajendra Singh Pawar and Vijay Kumar Thadani

Information Memorandum for listing of 13,46,14,360 equity shares of INR 2 each issued by our Company pursuant to the Composite Scheme of Arrangement between NIIT Limited ('NIIT'/ 'Transferor Company') and NIIT Learning Systems Limited ('NLSL'/ 'the Company' 'Transferee Company') and their respective Shareholders and Creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ('Act') ('Scheme'), as approved by the Hon'ble National Company Law Tribunal ('NCLT') Chandigarh Bench, vide its Order dated May 19, 2023.

GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Equity Shares of our Company unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision with respect to the Equity Shares of our Company. For taking an investment decision, investors must rely on their own assessment of our Company, including the risks involved. Please note that the Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does the SEBI guarantee the accuracy or adequacy of the contents of this Information Memorandum. Specific attention of the investors is invited to section titled "*Risk Factors*" on page 17 of this Information Memorandum.

ABSOLUTE RESPONSIBILITY OF THE COMPANY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Information Memorandum contains all information with regard to our Company, which is material, that the information contained in this Information Memorandum is true and correct in all material aspects and is not

misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.
LISTING
The Equity Shares of our Company are proposed to be listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**"), (hereinafter collectively, referred to as the "**Stock Exchanges**"). For the purpose of listing our Equity Shares pursuant to the Scheme, BSE is the Designated Stock Exchange. Our Company has submitted this Information Memorandum to BSE and NSE and the Information Memorandum shall be made available on our Company's website at www.niitmts.com. Our Company has received in-principle approval for listing from BSE and NSE on [•, 2023] and [•, 2023] respectively. The Information Memorandum would also be made available on the respective website of the Stock Exchanges at www.bseindia.com and www.nseindia.com.
REGISTRAR AND TRANSFER AGENT OF THE COMPANY
KFINTECH EXPERIENCE TRANSFORMATION **KFin Technologies Limited** **Address:** Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032 Telangana, India **Investor grievance e-mail:** einward.ris@kfintech.com; **Website:** www.kfintech.com **Contact Person:** Srinivas Sudheer, Vice President; **Tel. No.:** +91-40-79611000 **SEBI Registration Number:** INR000000221

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Information Memorandum uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meanings ascribed to such terms herein, and references to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification will include any amendments thereto or re-enactments thereof, from time to time.

Notwithstanding the foregoing, terms in "Main Provisions of the Articles of Association", "Statement of Tax Benefits", "Industry Overview", "Our Business", "Management Discussion and Analysis of Financial Condition and Results of Operations", "Risk Factors", "Financial Statements", "Outstanding Litigation and Other Material Developments" and "Scheme of Arrangement", shall have the meaning ascribed to such terms in those respective sections.

Company and Scheme Related Terms

Term	Description
NLSL / Transferee Company / the Company / our Company / we / us / our	Unless the context otherwise requires, refers to NIIT Learning Systems Limited.
NIIT / Transferor Company	NIIT Limited
AoA/ Articles of Association/ Articles	The articles of association of our Company, as amended from time to time.
Appointed Date of Demerger	April 1, 2022
Auditor/ Statutory Auditor	The statutory auditor of our Company is S. R. Batliboi & Associates, LLP.
Board/ Board of Directors	The board of directors of our Company, or a duly constituted committee thereof.
CLG Business	Business of the Company as defined in Clause 1.1.1 (iv)(a) of the Scheme.
CLG Business Undertaking	Business, activities, and operations pertaining to the CLG Business, and comprising of all the assets and liabilities, as described in Clause 1.2.7 of the Scheme.
Composite Scheme of Arrangement/ Scheme	Composite Scheme of Arrangement between NIIT & NLSL and their respective shareholders and creditors, under the provisions of section 230 to 232 and other applicable provisions of the Companies Act, 2013 sanctioned by the NCLT on May 19, 2023, which became effective on May 24, 2023. NCLT Order along with copy of the Scheme is available at the following link: NCLT Order.
Corporate Office	The Corporate Office of our Company is situated at Infocity, A-24, Sector 34, Gurugram - 122001, Haryana, India.
Director(s)	The director(s) on the Board of our Company.
Effective Date	May 24, 2023
Eligible Shareholder(s)	Shall mean eligible holder(s) of the equity shares of NIIT Learning Systems Limited as on the Record Date.
Equity Shares	The equity shares of our Company of face value of INR 2/- each.
Financial Statements	Audited financial statements of our Company for any Financial Year unless otherwise stated.
Fiscal 2022/ FY 2022/ FY22	With respect to the Financial Statements of our Company, Fiscal 2022 refers to the period from April 1, 2021, to March 31, 2022.

Term	Description
Fiscal 2023/ FY 2023/ FY23	With respect to the Financial Statements of our Company, Fiscal 2023 refers to the period from April 1, 2022, to March 31, 2023.
Financial Year / Fiscal / Fiscal Year / FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.
Group Company(ies)	In terms of SEBI ICDR Regulations, the term "group companies" includes the companies (other than Promoter and the Subsidiaries) with which our Company had related party transactions, during the period for which financial information is disclosed in this Information Memorandum, as covered under the applicable accounting standards, and any other companies as considered material by our Board. For further details refer section titled "*Group Companies*" on page 81.
Independent Directors	The Independent Directors of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations.
Information Memorandum / IM	This draft Information Memorandum dated June 27, 2023, filed with the Stock Exchanges issued in accordance with the applicable laws as prescribed by SEBI and referred to as the Information Memorandum.
Key Management Personnel/ KMP	Key management personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, together with the key managerial personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and as described in "*Our Management*" on page 57.
Memorandum of Association / MoA	The memorandum of association of our Company, as amended from time to time.
NCLT	The National Company Law Tribunal, Chandigarh Bench.
Net Worth	Net worth of our Company, in terms of Regulation 2(1)(hh) of the SEBI ICDR Regulations.
Promoters	The promoters of our Company, being Rajendra Singh Pawar and Vijay Kumar Thadani. For further details, see "*Our Promoters and Promoter Group*" on page 77.
Promoter Group	Persons and entities constituting the promoter group of our Company in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in "*Our Promoters and Promoter Group*" on page 77.
Record Date	June 08, 2023
Registered Office	The registered office of our Company is situated at Plot No. 85, Sector 32, Institutional Area, Gurugram – 122001, Haryana, India.
Registrar of Companies / RoC	The Registrar of Companies, NCT of Delhi & Haryana.
Registrar and Transfer Agent	KFin Technologies Limited
Share Certificate	The certificate in respect of the Equity Shares allotted to a folio.
Shareholders	Shareholders holding Equity Shares of our Company, from time to time.
Subsidiaries	As described in "*Subsidiaries*" on page 51.

Conventional and General Terms and Abbreviations

Term	Description
₹/ Rs./ Rupee(s)/ INR/ Re	Indian Rupees, the official currency of the Republic of India
AGM	Annual General Meeting
Bn	Billion
BSE/ Designated Stock Exchange	BSE Limited
CAGR	Compounded Annual Growth Rate
Capital or Share Capital	Share Capital of our Company
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Companies Act/ the Act	The Companies Act, 1956 and/or the Companies Act, 2013, as applicable along with the relevant rules, clarifications and modifications made thereunder.
CSR	Corporate Social Responsibility
CY	Calendar Year
Demat	Dematerialized
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
Depositories Act	The Depositories Act, 1996
DP	Depository Participant
DP ID	Depository Participant’s Identity Number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortization
EGM	Extra-ordinary General Meeting
EPS	Earnings per share
FDI	Foreign Direct Investment
FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the Department of Industrial Policy and Promotion *(formerly, now referred to as the Department of Promotion of Industry and Internal Trade)*, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
FEMA	The Foreign Exchange Management Act, 1999 read with rules, regulations, notifications, circulars, and directions thereunder.
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FIs	Financial Institutions
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws
FPI(s)	Foreign Portfolio Investors registered with SEBI under applicable laws
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GoI/ Central Government/ Government	The Government of India
GST	Goods and Services Tax
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Income Tax Act / IT Act	Income-tax Act, 1961 and amendments thereto
IND AS	Indian Accounting Standards issued by the Institute of Chartered Accountants of India, and notified by the Ministry of Corporate Affairs, Government of India.

Term	Description
Indian GAAP/ IGAAP	In accordance with the accounting principles generally accepted in India, including the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
NR	Non-Resident
NRI(s)	Non-Resident Indian(s)
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Body
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
RBI	The Reserve Bank of India
SCRA	Securities Contract (Regulation) Act, 1956, as amended
SCRR	Securities Contract (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI Circular	Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 issued by SEBI dated November 23, 2021, on schemes of arrangement, as amended.
SEBI ICDR Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI Listing Regulations/ Listing Regulations/ LODR	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
Stock Exchange(s)	BSE and NSE, where equity shares of the Company are proposed to be listed.
Applicable Laws	Any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any appropriate authority, statutory authority, court, tribunal having competent jurisdiction; and (b) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any appropriate authority having jurisdiction as may be in force from time to time, whether in effect as of the date of this Disclosure Document or at any time thereafter in India.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

All references in this Information Memorandum to “India” are to the Republic of India.

Unless stated otherwise, all references to page numbers in this Information Memorandum are to the page numbers of this Information Memorandum.

Currency and Units of Presentation

All references to “Rupees” or “₹” or “Rs.” or “INR” or “Re” are to Indian Rupees, the official currency of the Republic of India and references to ‘US$’, ‘USD’ and ‘U.S. Dollar’ are to the legal currency of the United States of America, references to ‘£’, ‘Pound’ and ‘Pound Sterling’ are to the legal currency of the United Kingdom.

In this Information Memorandum, our Company has presented certain numerical information. Where any figures that may have been sourced from third-party industry sources are expressed in denominations, such figures appear in this Information Memorandum expressed in such denominations as provided in their respective sources.

Financial Data

Our Company publishes its Financial Statements in Indian Rupees. Unless stated otherwise, the financial data pertaining to the Company in this Information Memorandum is derived from our audited Financial Statements for Fiscal 2022 and for the Fiscal 2023 and such Financial Statements are represented in ‘INR Millions’ (INR ’000,000s). The said Financial Statements are disclosed in the “*Financial Information*” and “*Management Discussion and Analysis of Financial Conditions and Results of Operations*” on pages 84 and 85 respectively of this Information Memorandum. Our Financial Statements, including the reports issued by the auditors, included in this Information Memorandum, have been prepared in accordance with Ind AS and the Companies Act, 2013. Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular Financial Year or Fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Information Memorandum are to a calendar year and references to a Fiscal/ Fiscal Year are to the year ended on March 31, of that calendar year.

Certain figures contained in this Information Memorandum, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Information Memorandum has been obtained or derived from publicly available information as well as industry publications and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured.

Information has been included in this Information Memorandum incorporates information from various industry sources and reports which includes but is not limited to the following:

- The State of the Learning Services Market (https://store.trainingindustry.com/)
- 2022 State of the Industry (https://www.td.org/atd-research)

The sources also include other publicly available documents and information, including, but not restricted to materials issued by trade, and industry specific publications, and other relevant third-party sources, as applicable.

Although we believe that the industry and market data used in this Information Memorandum is reliable, it has not been independently verified by us and our affiliates or advisors. The data used in these sources may have been reclassified or reorganized by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Information Memorandum is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

Time
All references to time in this Draft Information Memorandum are to Indian Standard Time.

FORWARD-LOOKING STATEMENTS

This Information Memorandum includes statements which contain words or phrases such as "will", "would", "aim", "aimed", "will likely result", "is likely", "are likely", "believe", "expect", "expected to", "will continue", "will achieve", "anticipate", "estimate", "estimating", "intend", "plan", "contemplate", "seek to", "seeking to", "trying to", "target", "propose to", "future" , "objective", "goal", "project", "should", "can", "could", "may", "will pursue", or other words or phrases of similar expressions or variations of such expressions, that are "forward-looking statements". Similarly, statements that describe our strategies, objectives, plans, or goals are also forward-looking statements.

All forward-looking statements are based on our current plans, estimates, presumptions, and expectations, and are subject to risks, uncertainties, and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Further, actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic and international laws, regulations and taxes, changes in competition in its industry and incidents of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- Economic uncertainty especially in the industries we serve
- Outsourcing trends
- Technological advances
- The effect of changes in our accounting policies
- Our ability to manage our growth effectively
- Outcome of legal or regulatory proceedings to which we, are a party to or might become involved in
- Changes in political, social and regulatory conditions in India, North America, Europe, and other markets where NLSL or its subsidiaries service their customers
- Difficult condition in the global capital market and the economy generally
- Our ability to control cost and retain key personnel
- Our ability to finance the business and growth
- Our ability to compete effectively, particularly in new markets and business lines
- Potential mergers, acquisitions, or restructurings
- Changes in the foreign exchange control regulations in India and other markets
- Major changes, in the industry, if any
- Accidents, natural disasters, pandemic, and other similar force majeure events, and
- Other factors discussed in this Information Memorandum, including "*Risk Factors*".

For further discussion of factors that could cause our actual results to differ from the expectations, see "*Risk Factors*", "*Our Business*" and "*Management Discussion and Analysis of Financial Conditions and Results of Operations*" on page 17, 41 and 85, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

Although we believe that the assumptions on which such forward-looking statements are based are reasonable, we cannot assure that the expectations reflected in these forward-looking statements will prove to be correct.

Forward-looking statements speak only as of the date of this Information Memorandum. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of the foregoing, and the risks, uncertainties and assumptions discussed in the section titled “Risk Factors” given on page 17 and elsewhere in this Information Memorandum, any forward-looking statement discussed in this Information Memorandum may change or may not occur, and our actual results could differ materially from those anticipated in such forward-looking statements. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not regard such statements to be a guarantee of our future performance.

SECTION II – INFORMATION MEMORANDUM SUMMARY

*This section is a summary of specific disclosures included in this Information Memorandum and is not exhaustive nor does it purport to contain a summary of all disclosures or details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Information Memorandum, including the sections entitled "**Risk Factors**", "**Industry Overview**", "**Outstanding Litigation and Material Developments**", "**Our Promoters and Promoter Group**", "**Financial Information**", "**Our Business**" and "**Main Provisions of the Articles of Association**" on pages 17, 39, 93, 77, 84, 41 and 101, respectively. For additional information and further details with respect to any of the information summarized below, please refer to the relevant sections of this Information Memorandum. Unless otherwise stated, the financial information in this section is derived from the Consolidated Financial Statements given in the section titled Financial Information on Page 84.*

SUMMARY OF BUSINESS

The Company offers Managed Training Services ("MTS") which includes outsourcing of Learning & Development ("L&D") and Talent Transformation Services to market-leading companies and institutions in North America, Europe, Asia, and Oceania. NIIT's comprehensive suite of managed training services (NIIT MTS) includes custom curriculum design and content development, learning administration, learning delivery, strategic sourcing, learning technology, and advisory services. L&D Transformation Services include augmented reality/ virtual reality-based learning solutions, curriculum transformation, and portfolio optimization. NIIT MTS also offers specialized solutions including immersive learning, customer education, talent pipeline as a service, DE&I training, digital transformation and IT training as well as leadership and professional development Programs.

With a team of some of the world's finest learning professionals, NIIT MTS helps customers run training like a business by improving the efficiency and effectiveness of their L&D and Talent Management functions.

Our Competitive Strengths

- Deep expertise in Instructional Design and Proprietary Learning methodologies that create predictable learning outcomes for customers
- Leader in usage of technology in learning including automation of learning processes, Use of AI and Gamification in learning, creation of AR/VR based simulations, and Learning Analytics etc. as well as industrial strength, scalable delivery platform
- Global reach
- End-End multi-shore delivery capability
- Customer centricity resulting in strong renewal track record
- Strong liquidity on balance sheet and free cash flow profile with ability to invest for growth

Our Strategy

Learning outsourcing represents a multi-decade growth opportunity, with global corporate spending on learning exceeding USD 370 billion and a low single-digit penetration rate. NLSL is one of the two pure-play training companies among the top five globally and has the potential to become the leading MTS player in the long run. To achieve this, NLSL must continue to invest in driving this shift from in-house execution to outsourcing it to specialist L&D players like us, thereby aiding its customers in achieving transformation of their L&D.

The key focus of our business strategy is to continue to drive growth, while maintaining profitability. The Company plans to:

a) Continue investments in Sales & Marketing with continued focus on Fortune 1,000 companies for new customer acquisition.
b) Invest in new capabilities to increase share of wallet with existing customers.
c) Penetrate select industries and geographies.

The Company expects to drive the above through both organic and inorganic initiatives.

Industry overview

Global spending on corporate training is estimated to be USD 370 billion per annum. Companies spend over 1% of their revenue on average on employee training (excluding the cost of employees undergoing training). This represents over a thousand dollars per employee each year. About two-thirds of the spend is towards proprietary training, so that employees can do their specific job or customers can adopt their products. This includes training on proprietary products, processes, and systems of respective companies. The majority of this spending is on the salaries of internal Learning & Development (L&D) staff. Balance spending is on buying off-the-shelf or standardized Courses from third parties or on Tuition Reimbursements.

All this training needs to be created, maintained, updated frequently for changes, and delivered to the employees or customers. Companies employ dedicated L&D staff to do this, which is often underutilized. While training demand fluctuates, the cost is largely fixed. Training is not their core activity, and therefore their efficiency and effectiveness are not consistent.

Outsourcing of proprietary training is underpenetrated, with external spending on Learning Services at about $10 billion per annum which is less than 5% of the overall L&D spends. Currently, less than 250 out of the Fortune 1,000 companies outsource training in any substantial way. This represents a large opportunity for the Company with significant headroom for growth.

Our Promoters

The Promoters of our Company are Rajendra Singh Pawar and Vijay Kumar Thadani.

Shareholding of our Promoters and Members of our Promoter Group

As on the date of this Information Memorandum, the shareholding of the Promoters and the members of Promoter Group are detailed below:

S. No.	Name	Category	Number of equity shares held	Percentage
1.	Rajendra Singh Pawar and Neeti Pawar	Promoter	1,55,000	0.12
2.	Vijay Kumar Thadani and Renuka Vijay Thadani	Promoter	1,55,000	0.12
3.	Neeti Pawar and Rajendra Singh Pawar	Promoter Group	4,27,326	0.32
4.	Urvashi Pawar	Promoter Group	56,250	0.04
5.	Unnati Pawar	Promoter Group	56,242	0.04
6.	Udai Singh Pawar	Promoter Group	7,500	0.01
7.	Rajendra Singh Pawar as Trustee of Pawar Family Trust	Promoter Group	2,24,45,644	16.67
8.	R S Pawar HUF	Promoter Group	2,527	0.00
9.	Renu Kanwar and Vandana Katoch	Promoter Group	2,339	0.00
10.	Santosh Dogra	Promoter Group	1,687	0.00
11.	Janki Jamwal and Neeti Pawar	Promoter Group	652	0.00
12.	Janki Jamwal and Pramod Singh Jamwal	Promoter Group	562	0.00
13.	Janki Jamwal and Keerti Katoch	Promoter Group	562	0.00
14.	Renuka Vijay Thadani and Vijay Kumar Thadani	Promoter Group	1,000	0.00
15.	Vijay Kumar Thadani as Trustee of Thadani Family Trust	Promoter Group	2,29,94,229	17.08
16.	V K Thadani HUF	Promoter Group	2,527	0.00
17.	Rasina Uberoi	Promoter Group	15,464	0.01
18.	Rubika Vinod Chablani	Promoter Group	1,687	0.00
19.	Arvind Thakur	Promoter Group	5,66,829	0.42
20.	Kailash K Singh and Yogesh Singh	Promoter Group	750	0.00
21.	Global Solutions Private Limited	Promoter Group	0	0.00
22.	Pace Industries Private Limited	Promoter Group	0	0.00
	Total		**4,68,93,777**	**34.84**

Note:
(a) Details of the shareholding of promoter and promoter group is identical to the details of the promoter and promoter group in NIIT Limited ("Transferor Company")
(b) For Promoter/ Promoter Group :
- *Rajendra Singh Pawar and Vijay Kumar Thadani are the only promoters of the Company.*
- *In the joint holdings of*
  (a) Rajendra Singh Pawar and Neeti Pawar;
  (b) Neeti Pawar & Rajendra Singh Pawar;
  (c) Vijay Kumar Thadani and Renuka Vijay Thadani; and
  (d) Renuka Vijay Thadani & Vijay Kumar Thadani, the second holder is for purpose of convenience only and do not hold any beneficial interest.

Size of the Issue

The issue is for listing of 13,46,14,360 Equity Shares of INR 2 each issued by our Company pursuant to Scheme. No Equity Shares are proposed to be offered or listed pursuant to this Information Memorandum.

Object of the issue

There are no objects of the issue except listing of 13,46,14,360 Equity Shares of the Company pursuant to the Scheme.

Selected Financial Information

The following information has been derived from the Financial Statements *(Refer Note 37 of the Consolidated Financial Statements given in the section titled Financial Information on Page 84)*:

(Amounts in INR million, except per share data)

Particulars	Fiscal 2023	Fiscal 2022
Share capital [Face Value Rs. 2 each (previous year Rs. 10 each)]	269.14	1,155.64
Net worth	7,702.88	5,451.92
Revenue	13,617.87	11,323.24
Profit after Tax	1,922.17	2,020.58
Earnings per Equity Share [Face Value Rs. 2 each (previous year Rs. 10 each)] -Basic -Diluted	 14.31 13.97	 17.48 17.48
Net asset value per Equity Share [Face Value Rs. 2 each (previous year Rs. 10 each)]	66.65	40.52
Total borrowings	1,158.60	80.37

Auditor Qualifications or Adverse Remarks

There have been no qualifications or adverse remarks by our Auditors in the Financial Statements.

Outstanding Litigation

A summary of pending criminal proceedings, taxation proceedings, actions taken by statutory or regulatory authorities and other material litigation proceedings involving us, our Directors, our Promoters, our subsidiaries, and our Group Companies, as applicable, on the date of this Information Memorandum is set out hereinafter:

A. Total number of outstanding litigations and amount involved[1]:

Name of Entity	No. of Criminal Proceedings	No. of Tax Procee-dings	No. of Statutory or Regulatory Proceedings	No. of Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	No. of Material Civil Litigations[2]	Aggregate amount involved (Rs. in million)
Company						
By the Company	Nil	7	Nil	Nil	Nil	56.37
Against the Company	Nil	Nil	Nil	Nil	Nil	Nil
Directors						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	1[3]	Nil	Nil	Nil	Nil	Nil

Name of Entity	No. of Criminal Proceedings	No. of Tax Procee-dings	No. of Statutory or Regulatory Proceedings	No. of Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	No. of Material Civil Litigations[2]	Aggregate amount involved (Rs. in million)
Promoters						
By Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against Promoters	1[3]	Nil	Nil	Nil	Nil	Nil
Subsidiaries						
By Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
Against Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
Cases involving the Group Companies which have a material impact on our Company						
By Group Companies	Nil	Nil	Nil	Nil	Nil	Nil
Against Group Companies	Nil	Nil	Nil	Nil	Nil	Nil

Note:

1 *Number of all litigations has been provided in the table irrespective of materiality except for civil litigations. There are certain litigations for which amount cannot be quantified, thus, the numbers of those litigations are included in the table, however, the amount is not included.*

2 *The civil litigation has been considered material if amount involved is more than 1% of the total income of the Company as per consolidated audited financial statements as on March 31, 2023.*

3 *An FIR was filed against erstwhile Licensee of NIIT at Jodhpur and Rajendra Singh Pawar (the promoter and director of the Company), being the Director of NIIT, by an ex-student of the then NIIT Jalori Gate Centre, Jodhpur which was run by the said erstwhile Licensee. The Final Report was filed in 2015 by police inter-alia because dispute was founded on civil contract. The same was accepted by learned court of Metropolitan Magistrate (MM) also. However, complainant challenged Final Report before Additional Session Judge which ordered that learned MM should look into the matter afresh. Accordingly, Revision Petition has been filed before the Rajasthan High Court which, while issuing the notice, called for the records of case for adjudication.*

B. Brief details of top 5 outstanding litigations against the Company and amount involved:

Sr. No.	Particulars	Litigation filed by	Current Status	Amount involved (INR Mn)
1.	The complainant is seeking to be compensated against alleged deficiency of services by the Company in respect of the Quickschool ERP Solution sold to the School.	Delhi Public School, Jabalpur	Pending before Consumer Forum, Jabalpur	1.20
2.	The Plaintiff society runs a school at Dhule which bought the Quickschool ERP Solution from the Company. They have filed a suit for compensation on account of alleged deficiency in service.	Dondaicha Education Society	Pending before Civil Court, Dhule, Maharashtra	0.15
3.	The Plaintiff, a book vendor is seeking the mandatory injunction against the Company to take back the unsold books, contrary to contract, and return the security cheques lying with the Company.	Sumit Book Store	Pending before Civil Court, Pathankot	-

C. Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the promoters in last 5 financial years including outstanding action, if any: None

D. Brief details of outstanding criminal proceedings against Promoters (200 – 300-word limit in total):

Title	Court/ Forum	Case	Status
Mukesh Bansal & Rajendra Singh Pawar Vs. State of Rajasthan	Rajasthan High Court, Jodhpur	An FIR was filed against erstwhile Licensee of NIIT at Jodhpur and Rajendra Singh Pawar (the promoter and director of the Company), being the Director of NIIT, by an ex-student of the then NIIT Jalori Gate Centre, Jodhpur which was run by the said erstwhile Licensee. The Final Report was filed in 2015 by police inter-alia because dispute was founded on civil contract. The same was accepted by learned court of Metropolitan Magistrate (MM) also. However, complainant challenged Final Report before Additional Session Judge which ordered that learned MM should look into the matter afresh. Accordingly, Revision Petition has been filed before the Rajasthan High Court which, while issuing the notice, called for the records of case for adjudication.	Pending for adjudication

For further details, see "*Outstanding Litigation and Other Material Developments*" at page 93.

Risk Factors

For details of the risks associated with our Company, see the section "*Risk Factors*" on page 17.

Contingent Liabilities

The following table provides total contingent liabilities as of March 31, 2023:

(Amounts in INR million)

Particulars	As at	
	March 31, 2023	March 31, 2022
Contingent Liabilities	**71.81**	**40.71**

For further details, see Financial Statements in the section titled "*Financial Information*" at page 84.

Summary of Related party transactions :

For details of the related party transactions, as per the requirements under Ind AS 24 '*Related Party Disclosures*' issued by the ICAI, refer Financial Statements in the section titled "*Financial Information*" at page 84.

Financing Arrangements

There are/have been no financing arrangements whereby our Promoters, members of our Promoter Group or our Directors and their relatives have financed the purchase by any other person of securities of our Company, from the date of approval of the Scheme by the NCLT on May 19, 2023, till the date of this Information Memorandum.

Weighted average price at which the Equity Shares were acquired by the Promoters in the one year preceding the date of this Information Memorandum

Not applicable, as the Promoters have not acquired any Equity Shares of the Company during last one year preceding the date of this Information Memorandum, except pursuant to the Scheme.

Size of pre-IPO placement and allottees, upon completion of placement.

Not Applicable.

Issue of equity shares for consideration other than cash in the last one year

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Information Memorandum, except as set forth below:

Date of allotment	No. of Equity Shares allotted	Face Value per Equity Share (INR)	Premium per Equity Share (INR)	Nature of Allotment	Nature of consideration
June 12, 2023	13,46,14,360	2	NIL	Allotment pursuant to the Scheme*	Pursuant to the Scheme

**Allotment to the eligible shareholders of the Transferor Company. For further details of the Scheme, see section titled "Scheme of Arrangement" on Page 53.*

Split or Consolidation

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Information Memorandum, except as stated below:

Pursuant to the Scheme, the authorised share capital of the Company has been reclassified/reorganised from 12,00,00,000 equity shares of INR 10 (Indian Rupees Ten, only) each aggregating to INR 120,00,00,000 (Rupees One Hundred Twenty Crores), by reducing the face value of equity shares to INR 2 (Indian Rupees Two, only) to 60,00,00,000 equity shares of INR 2 (Indian Rupees Two, only) each aggregating to INR 120,00,00,000 (Rupees One Hundred Twenty Crores).

SECTION III – RISK FACTORS

An investment in equity shares involves a high degree of risk. Prospective Investors should carefully consider all the information in this Information Memorandum, including the risks and uncertainties described below.

If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our Company's business, results of operations and financial condition could suffer, the price of the Equity Shares could decline, and all or part of your investment may be lost. Unless otherwise stated our Company is not in a position to specify or quantify the financial or other risks mentioned herein. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with section titled "Our Business", "Industry Overview", "Management Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Information" on pages 41, 39, 85 and 84, respectively, as well as the other financial and statistical information contained in this Information Memorandum.

Risks relating to our Company's Business

Internal Risk Factors

- In accordance with Indian law, permission for listing and trading of Equity Shares shall be granted only after completion of issue and the allotment of the Equity Shares pursuant to the Scheme. The timelines for listing of Equity Shares may vary according to the completion of the actions as listed in the Scheme. Listing Equity Shares does not guarantee that a trading market for the Equity Shares would develop. Accordingly, prospective shareholders should be prepared to hold their Equity Shares for an indeterminate period of time.
- The Company's ability to operate its business effectively could be impaired if it fails to attract, retain, or develop key personnel and other employees relative to the scale and range of its operations.
- There are outstanding litigations involving our Company and/or our Promoters which, if determined adversely, may affect our business and financial condition.
- The Company's performance and growth are dependent on the performance of the Indian and global economy, which in turn, depends on various external factors. The Indian economy has been affected by global economic uncertainties, volatility in interest rates, currency exchange rates, commodity, and various other macroeconomic factors as well as regulatory changes. Any downturn in the macroeconomic environment in India could materially and adversely affect the business, prospects, financial condition, results of operations and cash flows of the Company.
- The business faces concentration risk with the Top 10 customers contributing 58% to NLSL's revenue in FY23. The Company's business is dependent on outsourcing of internal L&D spend by its customers which operate across multiple sectors. Any risk or impact on the business of the Company's top customers could have a material impact on NLSL's business volume.
- Part of the L&D expenditure is discretionary and can be deferred or cancelled by customers. Any specific and global economic factors that create uncertainty for the business of our customers can impact business volume for the Company.
- The business also faces risk from competitors. These include both global outsourcing firms and specialist L&D organizations. These include both multinational and local firms with strong capabilities and relationships. NLSL's business volume and growth is dependent on the Company's ability to compete effectively and continue to improve its capabilities ahead of the competition.
- The Company's operations include usage of technology platforms, systems, networks, and communications infrastructure. Any interruptions or breakdowns in such systems could impact the effectiveness of delivering services and updates to the customers. Regular upgradation of the technology infrastructure is necessary, without which the Company's ability to efficiently manage its business and deliver accurate information to various internal and external stakeholders could be impaired.

- Post effectiveness of the scheme, the transfer of ownership of investments by the Transferor Company in the subsidiaries outside India is subject to regulatory approvals. Further, assignment of certain contracts would be subject to approval of customers.
- Our Company, our Subsidiaries, our Directors, our Promoters, and our Group Companies are involved in certain legal and other proceedings. An adverse outcome in such proceedings may have a material adverse effect on our business, results of operations and financial condition.

  These legal proceedings are pending at different levels of adjudication before various courts and tribunals. We can give no assurance that these legal proceedings will be decided in our favour, and we may incur significant expenses and management time in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If any new developments arise, for example, a change in Indian law or rulings against us by the appellate courts or tribunals, we may face losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities. If such claims are determined against us, there could be a material adverse effect on our reputation, business, financial condition, and results of operations, which could adversely affect the trading price of our Equity Shares.

  For further details of these legal proceedings, please see section titled "*Outstanding Litigations and Material Developments*" on Page 93.

External Risk Factors

- ***The outbreak of a pandemic like Novel Coronavirus (COVID-19) or outbreak of an infectious disease or any other serious public health concerns Worldwide could have potential impact on our business, financial condition, and results of operations***
  The outbreak, or threatened outbreak, of any severe communicable disease could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our customers and suppliers, which could adversely affect our business, financial condition, and results of operations. The outbreak of COVID-19 had resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. Future restrictions, if any, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects remain uncertain and could be severe.

- ***A significant change in the* Government *of India's economic liberalization and deregulation policies could adversely affect our business and the price of our Equity Shares***
  A large part of our business and operations are located in India or are related to and influenced by the Indian economy. The Government of India has traditionally exercised, and continues to exercise, a dominant influence over many aspects of the economy. Unfavourable government policies including those relating to the internet and e-commerce, consumer protection and data-privacy, could adversely affect business and economic conditions in India, and could also affect our ability to implement our strategy and our future financial performance. Since 1991, successive governments, including coalition governments, have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector, and encouraging the development of the Indian financial sector. However, the members of the Government of India and the composition of the coalition in power are subject to change. As a result, it is difficult to predict the economic policies that will be pursued by the Government of India. The rate of economic liberalization could change and specific laws and policies affecting the financial services industry, foreign investment, currency exchange and other matters affecting investment in our securities could change as well. Any significant change in India's economic liberalization and deregulation policies could adversely affect business and economic conditions in India generally and our business. Adverse

change in regulation as well as political or economic uncertainty could also impact attractiveness of India as an outsourcing destination, thereby impacting customer acquisition and retention by the Company. This may adversely affect the Company's business, financial condition and results of operations.

- ***Any deterioration in the general economic conditions in India and globally could adversely affect our business and results of operations***

  Our performance and the growth of our business are necessarily dependent on the health of the overall global economy. Any slowdown in the global economy or future volatility at it impacts the business of our customers who are large players in their respective industries. Any downturn in the macroeconomic environment could adversely affect our business, results of operations, financial condition, and the trading price of the Equity Shares.

  Economy could be adversely affected by a general rise in interest rates, adverse weather conditions affecting agriculture, commodity, and energy prices as well as various other factors. A slowdown in the economy could adversely affect government policies in our target markets Any new regulations restricting outsourcing of services in our target markets, which may in turn adversely affect our financial performance and our ability to implement our business strategy.

- ***Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, across the multiple jurisdictions we operate in, may materially adversely affect our business and financial performance***

  The regulatory and policy environment in which we operate is evolving and subject to change/ new interpretations. Such changes and evolving interpretations, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that it may lead to time-consuming as well as costly affairs for us to resolve.

  Unfavourable changes in or evolving interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations by courts/ authorities could result in outcome which is not aligned with the positions taken by the company in the absence of clear guidance and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and additional compliance burden due to aforesaid may adversely affect our business, results of operations and prospects. Uncertainty in the application, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may adversely affect our business, results of operations and prospects.

- ***Terrorist attacks, Civil disturbances, extremities of weather, epidemic situations, regional conflicts, other political instability, and war involving India and other countries may have adverse effects on our operations and financial performance***

  Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities and outbreak of any wide-spread infectious disease in a community may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic, or other adverse developments in or affecting India.

  In addition, any deterioration in relations between India and Pakistan might result in investor concern about stability in the region, which could adversely affect the price of our Equity Shares.

India has also witnessed civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic, and political events in India could have a negative impact on the value of share prices generally as well as the price of our Equity Shares. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Equity Shares.

- ***Instability in financial markets could materially and adversely affect our results of operations and financial condition***

  The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.

  The global financial turmoil due to COVID-19, led to a loss of investor confidence in worldwide financial markets, earlier in 2020. Indian financial markets had also experienced the contagion effect of the global financial turmoil at that time, evident from the sharp decline in NSE's NIFTY/ BSE's SENSEX benchmark index. Any prolonged financial crisis in future, may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability, and price of our Equity Shares.

- ***Conditions in the Indian securities market and stock exchanges may affect the price and liquidity of our Equity Shares***

  Indian stock exchanges, which are smaller and more volatile than stock markets in developed economies, have in the past, experienced problems which have affected the prices and liquidity of listed securities of Indian companies. These problems include temporary exchange closures to manage extreme market volatility, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time-to-time restricted securities from trading, limited price movements and tightened margin requirements. If similar instance occurs in the future, the market price and liquidity of the Equity Shares could be adversely affected. Further, a closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of our Equity Shares.

- ***There is no prior trading history for Equity Shares and further significant trading volumes of the Equity Shares on the Stock Exchanges on listing could impact the price of our Company's Equity Shares***

  Since Equity Shares have not been previously traded, their market value is uncertain. Following admission, the market price of the Equity Shares may be volatile. Our Company's operating results and prospects from time to time may be below the expectations of market analysts and investors. At the same time, market conditions may affect the price of our Company's Equity Shares regardless of the operating performance of our Company. Stock market conditions are affected by many factors, such as general economic and political conditions, terrorist activity, movements in or outlook on interest rates and inflation rates, currency fluctuations, commodity prices, changes in investor sentiment towards the retail market and the supply and demand of capital.

  Following admission of our Equity Shares for trading on the Stock Exchanges, there may be a period of relatively high-volume trading in the Equity Shares. A high volume of sales of our Equity Shares on the Stock Exchanges after admission, or the perception that these sales might occur, could result in volatility in the market price of our Equity Shares.

- ***You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares***
  Capital gains arising from the sale of our Equity Shares are generally taxable in India. Aggregate capital gains exceeding Rs. 100,000 per financial year realised on the sale of listed equity shares including sale of our Equity Shares on a stock exchange held for more than 12 months will be subject to long term capital gains tax in India at a concessional rate, without any cost indexation benefit, if the securities transaction tax has been paid on the transaction of transfer and acquisition of such shares. The securities transaction tax will be levied on and collected by an Indian stock exchange on which our Equity Shares are sold. Any gains realised on the sale of our Equity Shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no securities transaction tax has been paid, will also be subject to long term capital gains tax in India. Further, any gains realised on the sale of our Equity Shares held for a period of 12 months or less will be subject to short term capital gain tax in India.

  Capital gain arising from the sale of equity shares will not be taxable in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gain. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gain arising from the sale of equity shares.

- ***There are restrictions on daily movements in the price of Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time***
  Pursuant to listing, we will be subject to a daily "circuit breaker" imposed by the Stock Exchanges, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchanges upon listing and subsequently based on the historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding shareholders' ability to sell Equity Shares at any particular time.

- ***Rapid and Volatile changes in market affecting our demand and planning forecasts may have an adverse effect on our business, results of operations and financial condition***
  Growth of our business depends on the long-term demand for our solutions from our customers. Rapid and Volatile changes in the market can undermine the long-term planning, demand, and supply thus affecting the results of our operations and financial situation. If we underestimate demand or have inadequate capacity due to which we are unable to meet the demand for our products and services, we may offer fewer quantities of products and services than required, which could result in the loss of business. While we forecast the demand for our products and services and accordingly plan our capacities, any error in our forecast could result in surplus stock, which may not be supplied in a timely manner. Our inability to match forecast demand for our products and services may have an adverse effect on our business, results of operations, cash flows and financial condition.

SECTION IV – INTRODUCTION

GENERAL INFORMATION

Our Company was incorporated as an unlisted public company under the provisions of Companies Act, 1956 on July 16, 2001, in the State of Delhi, pursuant to a certificate of incorporation dated July 16, 2001, issued by the Registrar of Companies, NCT of Delhi & Haryana. For further details, see *"History and Certain Corporate Matters"* on page 49.

Registered Office of our Company

The Registered Office of our Company is situated at Plot No. 85 Sector 32, Institutional Area, Gurugram – 122001, Haryana, India.

Corporate Office of our Company

The Corporate Office of our Company is situated at Infocity, A-24, Sector 34, Gurugram - 122001, Haryana, India.

Corporate Identity Number

The Corporate Identity Number of our Company is U72200HR2001PLC099478.

Registrar of Companies

Our Company is registered with the Registrar of Companies, NCT of Delhi and Haryana, having its office on the 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi - 110019.

Board of Directors

The following table sets out the brief details of our Board of Directors as on the date of this Information Memorandum:

S. No.	Name (DIN)	Date of appointment	Age	Designation	Address
1.	Rajendra Singh Pawar (00042516)	May 24, 2023	72	Non-Executive Chairman	N-3, Panchshila Park, New Delhi-110 017
2.	Vijay Kumar Thadani (00042527)	May 24, 2023	72	Vice-Chairman & Managing Director*	1012 B, The Magnolias, DLF Golf Links, Near Park, DLF City-5, Gurugram, Haryana 122009
3.	Sapnesh Kumar Lalla (06808242)	May 24, 2023	56	Executive Director & Chief Executive Officer#	ES 187, E Space, Nirvana Country, Gurugram-122018, Haryana
4.	Leher Vijay Thadani (03477205)	May 24, 2023	38	Non-Executive Director	1012B, The Magnolias, DLF Golf Links, Near Park, DLF City-5, Gurugram, Haryana 122009
5.	Ravinder Singh (08398231)	May 20, 2023	72	Non-Executive Independent Director	H. No. 12, 1st Floor, NRI Colony, Mandakni Enclave, New Delhi-110019
6.	Sangita Singh (07694463)	May 20, 2023	53	Non-Executive Independent Director	255, Prestige Ozone, Whitefield Main Road, Bangalore-560066
7.	Ravindra Babu Garkipati (00984163)	May 24, 2023	57	Non-Executive Independent Director	88-B, Sunny Brooks, Sarjapura Main Road, Near Wipro Corp Office, Doddakannalli, Carmelaram, Bangalore-560035
8.	Parthasarathy Vankipuram Srinivasa (00125299)	June 16, 2023	60	Non-Executive Independent Director	3404, India Bulls Sky, Senapati Bapat Marg, Elphistone Road, Elphistone (West), Mumbai – 400013

*Redesignated as Vice-Chairman & Managing Director from the position of Non-Executive Director

#Redesignated as Executive Director & Chief Executive Officer from the position of Non-Executive Director

Promoter

Sl. No.	Name	Address
1.	Rajendra S Pawar	N-3, Panchshila Park, New Delhi-110 017
2.	Vijay K Thadani	1012 B, The Magnolias, DLF Golf Links, Near Park, DLF City-5, Gurugram-122009, Haryana

* *For detail of shareholding, refer shareholding of our Promoters and Members of our Promoter Group* at page 13

For further details, see section titled "Our Management" on Page 57.

Company Secretary and Compliance Officer
Deepak Bansal is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Address: Plot No. 85, Sector 32, Institutional Area, Gurugram – 122001, Haryana
Tel No.: +91 124 429 3000
Email ID: deepak.bansal@niitmts.com

Registrar and Transfer Agent
KFin Technologies Limited
Address: Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032, Telangana, India
Investor grievance e-mail: einward.ris@kfintech.com; **Website:** www.kfintech.com
Contact Person: Srinivas Sudheer, Vice President; **Tel. No.:** +91-40-79611000
SEBI Registration Number: INR000000221

Statutory Auditors
S. R. Batliboi & Associates, LLP
Address: 4th Floor, Office 405, World Mark – 2, Asset No. 8, IGI Airport Hospitality District, Aerocity, New Delhi – 110 037, India
Contact Person: Sanjay Bachchani; **Telephone number:** +91 11 4681 9500
E-mail: sanjay.bachchani@srb.in
Firm registration number: 101049W/E300004; **Peer review number**: 013325

There has been no change in auditors of the Company in last five years.

Filing
Our Company has submitted this Information Memorandum with BSE and NSE.

Authority for Listing
In accordance with the Scheme, the Equity Shares of our Company issued pursuant to the Scheme shall be listed and admitted to trading on the Stock Exchanges. Such admission and listing are not automatic and will be subject to fulfilment of the respective listing criteria of BSE and NSE by our Company and also subject to such other terms and conditions as may be prescribed by the Stock Exchanges at the time of the application made by our Company to the Stock Exchanges for seeking approval for listing.

Eligibility Criteria
There being no initial public offering or rights issue, the eligibility criteria prescribed under the SEBI ICDR Regulations are not applicable. However, SEBI vide its letter no. [●] dated [●], 2023, granted relaxation of Rule 19(2)(b) of the SCRR to our Company pursuant to an application made by our Company to SEBI under sub-rule (7) of Rule 19 of the SCRR as per the SEBI Circular. Our Company has submitted this Information Memorandum and shall submit the Information Memorandum, containing information about our Company, making disclosures in line with the disclosure requirement for public issues, as applicable to BSE and NSE and the Information Memorandum shall be made available to public through the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com. Our Company shall also make the Information Memorandum available on its website at www.niitmts.com. Our Company shall also publish an advertisement in the newspapers containing the details in terms of Part II (A)(5) of the SEBI Circular. The advertisement shall draw specific reference to the availability of the Information Memorandum on our Company's website.

General Disclaimer from our Company

Our Company accepts no responsibility for statements made otherwise than in this Information Memorandum or in the advertisements to be published in terms of Part II (A)(5) or any other material issued by or at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by our Company to the public at large and no selective or additional information would be available for a section of the investors in any manner.

CAPITAL STRUCTURE

Equity Share Capital

The Equity Share Capital of our Company, as on the date of this Information Memorandum is set forth below:

Particulars	Amount (₹)
Authorized share capital 60,00,00,000 equity shares of INR 2 each	1,20,00,00,000
Issued, Subscribed and paid-up share capital 13,46,14,360 equity shares of INR 2 each	26,92,28,720

Note: The paid-up equity share capital of the Company prior to the scheme, comprising of 11,55,64,072 equity shares of INR 10/- each aggregating to INR 1,15,56,40,720 (Indian Rupees One Hundred Fifteen Crores Fifty-Six Lakh Forty Thousand Seven Hundred and Twenty) stand cancelled pursuant to the scheme.

NOTES TO THE CAPITAL STRUCTURE:

1. Equity share capital history of our Company

Date of allotment / Date of Extinguishment	Number of equity shares	Face value per equity share (Rs.)	Issue price per equity share (Rs.)	Nature of consideration	Nature of transaction	Allottee Name	Cumulative number of equity shares	Cumulative paid-up equity share capital (Rs.)
Incorporation (16.07.2001)	50007	10	10	Cash	Subscription to Memorandum of Association	NIIT and 7 nominees	50,007	5,00,070
20.08.2001	8,50,000	10	10	Cash	Allotment	NIIT	9,00,007	90,00,070
22.11.2001	1,00,000	10	10	Cash	Allotment	NIIT	10,00,007	1,00,00,070
06.07.2015	1,80,64,065	10	10	Other than Cash	Allotment	NIIT	1,90,64,072	19,06,40,720
04.08.2017	5,00,00,000	10	10	Conversion of Unsecured Optionally Convertible Debentures	Allotment	NIIT	6,90,64,072	69,06,40,720
15.09.2020	4,00,00,000	10	10	Cash	Allotment	NIIT	10,90,64,072	1,09,06,40,720
16.10.2020	65,00,000	10	10	Cash	Allotment	NIIT	11,55,64,072	1,15,56,40,720
12.06.2023	(11,55,64,072)	10	10	Cancellation	Cancellation of equity share pursuant to the Scheme of arrangement sanctioned vide NCLT order dated May 19, 2023	NIIT	(11,55,64,072)	(1,15,56,40,720)
12.06.2023	13,46,14,360	2	2	Allotment	Allotment of equity share pursuant to the Scheme of arrangement sanctioned vide NCLT order dated May 19, 2023	Shareholders of NIIT	13,46,14,360	26,92,28,720

Notes:

Note 1: 56,00,000 Preference Shares of Rs. 10 each were cancelled pursuant to the Scheme of arrangement sanctioned by Hon'ble High Court of Delhi vide order dated May 8, 2015.

Note 2: Pursuant to the Scheme of arrangement sanctioned by Hon'ble NCLT vide order dated May 19, 2023, (i) the issued, subscribed, and paid-up Equity Share Capital of our Company held by Transferor Company constituting 11,55,64,072 Equity Shares of Rs. 10 each aggregating to Rs. 1,15,56,40,720 was cancelled and (ii) 13,46,14,640 Equity shares of the Company were allotted to the eligible shareholders of the Transferor Company. For further details of the Scheme, see section titled Scheme of Arrangement on page 53.

2. **Equity Shares held by our Directors**

Except as stated below, there are no other Directors who hold Equity Shares in our Company as on the date of this Information Memorandum:

Sl. No.	Name	Designation	Number of equity shares held in Transferee Company
1.	Rajendra Singh Pawar	Non-Executive Chairman	1,55,000*
2.	Vijay Kumar Thadani	Vice-Chairman & Managing Director	1,55,000*
3.	Sapnesh Kumar Lalla	Executive Director & Chief Executive Officer	4,73,052
4.	Ravinder Singh	Independent Director	432#

**Refer shareholding of our Promoters and Members of our Promoter Group at page 13.*

 # Includes 198 shares jointly held with spouse.

3. **Shareholding pattern of our Company pre and post Scheme**

a. *The pre-scheme shareholding pattern of our Company is given hereunder:*

Sr. No.	Category of Shareholder	Number of fully paid-up Equity Shares of Rs. 10/- each	Percentage of Shares held as percentage of total capital (%)
1.	Shareholding of Promoter and Promoter Group#	11,55,64,072	100

#*The entire share capital was held by NIIT Limited including its six nominees.*

b. *The post-scheme shareholding pattern of our Company is given hereunder:*

Summary Statement Holding of Specified Securities

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of	Number of Voting Rights held in each class of securities (IX) – No of Voting Rights – Class eg: X	Class eg: Y	Total	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)(X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of	Number of Locked in shares (XII) – No. a	As a % of total Shares held (b)	Number of Shares pledged or otherwise encumbered (XIII) – No. a	As a % of total Shares held (b)	Number of equity shares held in dematerialized form (XIV)
(A)	Promoter & Promoter Group	20	46893777	0	0	46893777	34.84	46893777	0	46893777	34.84	0	34.84	0	0	0	0	46893777
(B)	Public	94441	87720583	0	0	87720583	65.16	87720583	0	87720583	65.16	0	65.16	0	0	0	0.00	87451176
(C)	Non Promoter- Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total	**94461**	**134614360**	**0**	**0**	**134614360**	**100.00**	**134614360**	**0**	**134614360**	**100.00**	**0**	**100.00**	**0**	**0**	**0**	**0.00**	**134344953**

Summary Statement Holding of Specified Securities

	Category of shareholder (I)	Entity type i.e. promoter OR promoter group entity (except promoter)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of	Number of Voting Rights held in each class of securities (IX) – No of Voting Rights – Class eg: X	Class eg: Y	Total	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)(X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of	Number of Locked in shares (XII) – No. a	As a % of total Shares held (b)	Number of Shares pledged or otherwise encumbered (XIII) – No. a	As a % of total Shares held (b)	Number of equity shares held in dematerialized form (XIV)
' (1)	**Indian**																		
(a)	Individuals/ Hindu Undivided Family		16	1436753	0	0	1436753	1.07	1436753	0	1436753	1.07	0	1.07	0	0	0	0	1436753
	ARVIND THAKUR	Promoter Group	1	566829	0	0	566829	0.42	566829	0	566829	0.42	0	0.42	0	0	0	0	566829
	NEETI PAWAR AND RAJENDRA SINGH PAWAR	Promoter Group	1	427326	0	0	427326	0.32	427326	0	427326	0.32	0	0.32	0	0	0	0	427326
	RAJENDRA SINGH PAWAR AND NEETI PAWAR	Promoter	1	155000	0	0	155000	0.12	155000	0	155000	0.12	0	0.12	0	0	0	0	155000
	VIJAY KUMAR THADANI AND RENUKA VIJAY THADANI	Promoter	1	155000	0	0	155000	0.12	155000	0	155000	0.12	0	0.12	0	0	0	0	155000
	URVASHI PAWAR	Promoter Group	1	56250	0	0	56250	0.04	56250	0	56250	0.04	0	0.04	0	0	0	0	56250
	UNNATI PAWAR	Promoter Group	1	56242	0	0	56242	0.04	56242	0	56242	0.04	0	0.04	0	0	0	0	56242
	UDAI PAWAR	Promoter Group	1	7500	0	0	7500	0.01	7500	0	7500	0.01	0	0.01	0	0	0	0	7500
	PAWAR & FAMILY HUF	Promoter Group	1	2527	0	0	2527	0.00	2527	0	2527	0.00	0	0.00	0	0	0	0	2527
	THADANI & FAMILY HUF	Promoter Group	1	2527	0	0	2527	0.00	2527	0	2527	0.00	0	0.00	0	0	0	0	2527
	RENU KANWAR AND VANDANA KATOCH	Promoter Group	1	2339	0	0	2339	0.00	2339	0	2339	0.00	0	0.00	0	0	0	0	2339
	SANTOSH DOGRA	Promoter Group	1	1687	0	0	1687	0.00	1687	0	1687	0.00	0	0.00	0	0	0	0	1687
	RENUKA VIJAY THADANI AND VIJAY KUMAR THADANI	Promoter Group	1	1000	0	0	1000	0.00	1000	0	1000	0.00	0	0.00	0	0	0	0	1000
	KAILASH K SINGH AND YOGESH SINGH	Promoter Group	1	750	0	0	750	0.00	750	0	750	0.00	0	0.00	0	0	0	0	750
	JANKI JAMWAL AND NEETI PAWAR	Promoter Group	1	652	0	0	652	0.00	652	0	652	0.00	0	0.00	0	0	0	0	652
	JANKI JAMWAL AND PRAMOD SINGH JAMWAL	Promoter Group	1	562	0	0	562	0.00	562	0	562	0.00	0	0.00	0	0	0	0	562
	JANKI JAMWAL AND KEERTI KATOCH	Promoter Group	1	562	0	0	562	0.00	562	0	562	0.00	0	0.00	0	0	0	0	562
(b)	Central Government/ State Government(s)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
(c)	Financial Institutions/ Banks		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
(d)	Any Other (specify)		2	45439873	0	0	45439873	33.76	45439873	0	45439873	33.76	0	33.76	0	0	0	0	45439873
	i) Bodies Corporate		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
	BODIES CORPORATE- PACE INDUSTRIES PVT LTD	Promoter Group	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
	BODIES CORPORATE- GLOBAL SOLUTIONS PVT LTD	Promoter Group	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
	ii) Trust		2	45439873	0	0	45439873	33.76	45439873	0	45439873	33.76	0	33.76	0	0	0	0	45439873
	VIJAY KUMAR THADANI AS TRUSTEE OF THADANI FAMILY TRUST	Promoter Group	1	22994229	0	0	22994229	17.08	22994229	0	22994229	17.08	0	17.08	0	0	0	0	22994229
	RAJENDRA SINGH PAWAR AS TRUSTEE OF PAWAR FAMILY TRUST	Promoter Group	1	22445644	0	0	22445644	16.67	22445644	0	22445644	16.67	0	16.67	0	0	0	0	22445644
	Sub-Total (A)(1)		**18**	**46876626**	**0**	**0**	**46876626**	**34.82**	**46876626**	**0**	**46876626**	**34.82**	**0**	**34.82**	**0**	**0**	**0**	**0**	**46876626**
' (2)	**Foreign**																		
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)		2	17151	0	0	17151	0.01	17151	0	17151	0.01	0	0.01	0	0	0	0	17151
	RASINA UBEROI	Promoter Group	1	15464	0	0	15464	0.01	15464	0	15464	0.01	0	0.01	0	0	0	0	15464
	RUBIKA VINOD CHABLANI	Promoter Group	1	1687	0	0	1687	0.00	1687	0	1687	0.00	0	0.00	0	0	0	0	1687
(b)	Government		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
(c)	Institutions		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
(d)	Foreign Portfolio Investor		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
(e)	Any Other (specify)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
	i) Bodies Corporate		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
	Sub-Total (A)(2)		**2**	**17151**	**0**	**0**	**17151**	**0.01**	**17151**	**0**	**17151**	**0.01**	**0**	**0.01**	**0**	**0**	**0**	**0**	**17151**
	TOTAL Shareholding of Promoter and Promoter Group(A) = (1) + (2)		**20**	**46893777**	**0**	**0**	**46893777**	**34.84**	**46893777**	**0**	**46893777**	**34.84**	**0**	**34.84**	**0**	**0**	**0**	**0**	**46893777**

Note:

1. For Promoter/ Promoter Group :
   - Rajendra Singh Pawar and Vijay Thadani are the only promoters of the Company.
   - In the joint holdings of
     (a) Rajendra Singh Pawar and Neeti Pawar;
     (b) Neeti Pawar & Rajendra Singh Pawar;
     (c) Vijay Kumar Thadani and Renuka Vijay Thadani; and
     (d) Renuka Vijay Thadani & Vijay Kumar Thadani,
     the second holder is for purpose of convenience only and do not hold any beneficial interest.

2. JANKI JAMWAL holds shares as first shareholder in three different Demat Account with three different Individuals (as second shareholders). Since second shareholders are different, that is why we cannot club all the three shareholding in one account based on her PAN. Also we cannot give same PAN of Janki Jamwal in all three fields, as XBRL restricts the same. Hence, we have given dummy PAN for other two fields (ie. JANKI JAMWAL AND PRAMOD SINGH JAMWAL & JANKI JAMWAL AND KEERTI KATOCH)

	Summary Statement Holding of Specified Securities																				
	Category of shareholder (I)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants)(X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares (XV)		
								No of Voting Rights			Total as a % of (A+B+C)			No. a	As a % of total Shares held (b)	No. a	As a % of total Shares held (b)		Shareholding (No. of shares) under		
								Class eg: X	Class eg: Y	Total									Sub- category (i)	Sub- category (ii)	Sub- category (iii)
'(1)	**Institutions (Domestic)**																				
(a)	Mutual Funds	3	12112443	0	0	12112443	9.00	12112443	0	12112443	9.00	0	9.00	0	0	0	0	12112443	0	0	0
	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA SMALL CAP FUND	1	11111066	0	0	11111066	8.25	11111066	0	11111066	8.25	0	8.25	0	0	0	0	11111066	0	0	0
(b)	Venture Capital Funds	0	0		0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0	0	0	0
(c)	Alternate Investment Funds	6	5503173	0	0	5503173	4.09	5503173	0	5503173	4.09	0	4.09	0	0	0	0	5503173	0	0	0
	MARATHON EDGE INDIA FUND I	1	4116989	0	0	4116989	3.06	4116989	0	4116989	3.06	0	3.06	0	0	0	0	4116989	0	0	0
(d)	Banks	6	8621	0	0	8621	0.01	8621	0	8621	0.01	0	0.01	0	0	0	0	8621	0	0	0
(e)	Insurance Companies	3	326673	0	0	326673	0.24	326673	0	326673	0.24	0	0.24	0	0	0	0	326673	0	0	0
(f)	Provident / Pension Funds	0	0		0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0	0	0	0
(g)	Asset Reconstruction Companies	0	0		0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0	0	0	0
(h)	Sovereign Wealth Funds	0	0		0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0	0	0	0
(i)	NBFCs registered with RBI	3	3279	0	0	3279	0.00	3279	0	3279	0.00	0	0.00	0	0	0	0	3279	0	0	0
(j)	Other Financial Institutions	2	210	0	0	210	0.00	210	0	210	0.00	0	0.00	0	0	0	0	210	0	0	0
(k)	Any Other (specify)	0	0		0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0	0	0	0
	Sub-Total B(1)	**23**	**17954399**		**0**	**17954399**	**13.34**	**17954399**	**0**	**17954399**	**13.34**	**0**	**13.34**	**0**	**0**	**0**	**0**	**17954399**	**0**	**0**	**0**
'(2)	**Institutions (Foreign)**																				
(a)	Foreign Direct Investment	0	0		0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0	0	0	0
(b)	Foreign Venture Capital Investors	0	0		0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0	0	0	0
(c)	Sovereign Wealth Funds	0	0		0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investors Category I	121	27781358	0	0	27781358	20.64	27781358	0	27781358	20.64	0	20.64	0	0	0	0	27781358	0	0	0
	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	1	7741830	0	0	7741830	5.75	7741830	0	7741830	5.75	0	5.75	0	0	0	0	7741830	0	0	0
(e)	Foreign Portfolio Investors Category II	7	281814	0	0	281814	0.21	281814	0	281814	0.21	0	0.21	0	0	0	0	281814	0	0	0
(f)	Overseas Depositories (holding DRs) (balancing figure)	0	0		0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0	0	0	0
(g)	Any Other (specify)	0	0		0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0	0	0	0
	Sub-Total (B)(2)	**128**	**28063172**		**0**	**28063172**	**20.85**	**28063172**	**0**	**28063172**	**20.85**	**0**	**20.85**	**0**	**0**	**0**	**0**	**28063172**	**0**	**0**	**0**
' (3)	**Central Government / State Government(s)**																				
(a)	Central Government / President of India	0	0		0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0	0	0	0
(b)	State Government / Governor	0	0		0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0	0	0	0
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	1	15000		0	15000	0.01	15000	0	15000	0.01	0	0.01	0	0	0	0	15000	0	0	0
	Sub-Total (B)(3)	**1**	**15000**		**0**	**15000**	**0.01**	**15000**	**0**	**15000**	**0.01**	**0**	**0.01**	**0**	**0**	**0**	**0**	**15000**	**0**	**0**	**0**
' (4)	**Non-Institutions**																				
(a)	Associate companies / Subsidiaries	0	0		0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0	0	0	0
(b)	Directors and their relatives (excluding independent directors and nominee directors)	3	891922	0	0	891922	0.66	891922	0	891922	0.66	0	0.66	0	0	0	0	891922	0	0	0
(c)	Key Managerial Personnel	2	63000	0	0	63000	0.05	63000	0	63000	0.05	0	0.05	0	0	0	0	63000	0	0	0
(d)	Relatives of promoters (other than immediate relatives of promoters disclosed under Promoter & PGC)	0	0		0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0	0	0	0
(e)	Trusts where any person belonging to Promoter & PGC istrustee, beneficiary or author of the trust	0	0		0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0	0	0	0
(f)	Investor Education and Protection Fund (IEPF)	1	435435	0	0	435435	0.32	435435	0	435435	0.32	0	0.32	0	0	0	0	435435	0	0	0
(g)	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	89413	20819944	0	0	20819944	15.47	20819944	0	20819944	15.47	0	15.47	0	0	0	0	20819944	0	0	0
(h)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	13	9301732	0	0	9301732	6.91	9301732	0	9301732	6.91	0	6.91	0	0	0	0	9301732	0	0	0
	SURESH KUMAR AGARWAL	1	3113254	0	0	3113254	2.31	3113254	0	3113254	2.31	0	2.31	0	0	0	0	3113254	0	0	0
	ASHISH KACHOLIA	1	3000000	0	0	3000000	2.23	3000000	0	3000000	2.23	0	2.23	0	0			3000000	0	0	0
(i)	Non Resident Indians (NRIs)	1853	1369973	0	0	1369973	1.02	1369973	0	1369973	1.02	0	1.02	0	0			1369973	0	0	0
(j)	Foreign Nationals	2	68788		0	68788	0.05	68788	0	68788	0.05	0	0.05	0	0			68788	0	0	0
(k)	Foreign Companies	0	0		0	0	0.00	0	0	0	0.00	0	0.00	0	0			0	0	0	0
(l)	Bodies Corporate*	808	7867875	0	0	7867875	5.84	7867875	0	7867875	5.84	0	5.84	0	0			7867875	0	0	0
	A K M SYSTEMS PRIVATE LIMITED	1	4050459		0	4050459	3.01	4050459	0	4050459	3.01	0	3.01	0	0			4050459	0	0	0
(m)	Any Other (specify)	1604	869343		0	869343	0.65	869343	0	869343	0.65	0	0.65	0	0			869343	0	0	0
	i) Clearing Member	5	611	0	0	611	0.00	611	0	611	0.00	0	0.00	0	0			611	0	0	0
	iii) Overseas corporate bodies	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0			0			
	iv) Trust	10	46803	0	0	46803	0.03	46803	0	46803	0.03	0	0.03	0	0			46803	0	0	0
	v) Foreign Portfolio Investor(Individual)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0			0	0	0	0
	vi) Unclaimed or Suspense or Escrow Account	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0			0	0	0	0
	vii) Resident HUF	1589	821929	0	0	821929	0.61	821929	0	821929	0.61	0	0.61	0	0			821929	0	0	0
	viii) Custodian	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0			0	0	0	0
	ix) Employees / Office Bearers	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0			0	0	0	0
	x) Foreign Bank	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0			0	0	0	0
	xi) Qualified Institutional Buyer	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0			0	0	0	0
	Sub-Total (B)(4)	**93699**	**41688012**		**0**	**41688012**	**30.97**	**41688012**	**0**	**41688012**	**30.97**	**0**	**30.97**	**0**	**0**	**0**	**0.00**	**41688012**	**0**	**0**	**0**
	TOTAL Public Shareholding(B) = B(1) + B(2) + B(3) + B(4)	**93851**	**87720583**		**0**	**87720583**	**65.16**	**87720583**	**0**	**87720583**	**65.16**	**0**	**65.16**	**0**	**0**	**0**	**0.00**	**87720583**	**0**	**0**	**0**

4. Other details of Shareholding of our Company:

(a) As on the date of the filing of this Information Memorandum, our Company has 96,950 shareholders.

(b) Set forth below is a list of top 50 shareholders of our Company (on PAN based clubbing), on a fully diluted basis, as on the date of filing of this Information Memorandum.

S. No.	Name	No. of Equity Shares	Percentage of the Equity Share Capital (%)
1.	Vijay Kumar Thadani	2,29,94,229	17.08
2.	Rajendra Singh Pawar	2,24,45,644	16.67
3.	Nippon Life India Trustee Limited - Nippon India Small Cap Fund	1,11,11,066	8.25
4.	Massachusetts Institute of Technology	77,41,830	5.75
5.	Marathon Edge India Fund I	41,16,989	3.06
6.	AKM Systems Private Limited	40,50,459	3.01
7.	Suresh Kumar Agarwal	31,13,254	2.31
8.	Ashish Kacholia	30,00,000	2.23
9.	Credit Suisse Investment Funds 2	13,45,434	1.00
10.	Acadian Emerging Markets Small Cap Equity Fund LLC	13,02,768	0.97
11.	India Insight Value Fund	12,83,300	0.95
12.	Hornbill Orchid India Fund	12,20,000	0.91
13.	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds	12,11,073	0.90
14.	Vanguard Total International Stock Index Fund	11,42,342	0.85
15.	238 Plan Associates LLC	10,17,644	0.76
16.	ICICI Prudential ESG Fund	9,61,377	0.71
17.	P Rajendran	8,89,139	0.66
18.	Ishares Core MSCI Emerging Markets ETF	8,25,525	0.61
19.	Sudha Rajendran	7,60,052	0.56
20.	Government Pension Fund Global	7,59,150	0.56
21.	Emerging Markets Core Equity Portfolio (The Portfolio) of DFA Investment Dimensions Group Inc.	6,86,915	0.51
22.	Blend Fund 2	6,26,028	0.47
23.	Superior Financial Consultancy Services Private Limited	6,08,305	0.45
24.	Arvind Thakur	5,66,829	0.42
25.	Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II	5,28,474	0.39
26.	K India Opportunities Fund Limited - Class P	4,97,534	0.37
27.	Pension Reserves Investment Trust Fund - Acadian	4,89,492	0.36
28.	Sapnesh Kumar Lalla	4,73,052	0.35
29.	Dimensional Emerging Markets Value Fund	4,37,883	0.33
30.	Investor Education and Protection Fund Authority Ministry of Corporate Affairs	4,35,435	0.32
31.	Neeti Pawar	4,27,326	0.32

S. No.	Name	No. of Equity Shares	Percentage of the Equity Share Capital (%)
32.	Buma-Universal-Fonds I	4,04,596	0.30
33.	Sailesh Kumar Lalla	3,86,236	0.29
34.	Mauryan First	3,70,000	0.27
35.	GAM Multistock - Emerging Markets Equity	3,32,900	0.25
36.	Vanguard FTSE All-World Ex-Us Small-Cap Indexfund	3,23,111	0.24
37.	Chetan Jayantilal Shah	3,00,000	0.22
38.	The Emerging Markets Small Cap Series of the DFA Investment Trust Company	2,97,159	0.22
39.	Joseph Jivanayakam Daniel	2,96,901	0.22
40.	Stichting Depositary APG Emerging Markets Equity	2,92,792	0.22
41.	City of New York Group Trust	2,83,304	0.21
42.	Teachers Retirement System of the State of Illinois - Acadian Asset Management LLC - Em Small Cap	2,55,955	0.19
43.	Emerging Markets Small Capitalization Equity Index Non-Lendable Fund	2,43,375	0.18
44.	PNB Metlife India Insurance Company Limited	2,41,366	0.18
45.	Winsher Commercial Private Limited	2,25,000	0.17
46.	Florida Retirement System - Acadian Asset Management, Inc.	2,14,167	0.16
47.	OPSEU Pension Plan Trust Fund	2,14,058	0.16
48.	Universal-Investment-Gesellschaft MBH on behalf of Bayvk A3-Fonds	1,94,557	0.14
49.	UNIFI AIF Blend Fund	1,88,201	0.14
50.	Commonwealth of Pennsylvania Public School Employees Retirement System/Ge 328-Acadian Asset Management Inc.	1,86,134	0.14
TOTAL		**10,23,18,360**	**76.01**

(c) List of shareholders of our Company, on a fully diluted basis, as of the date two year and one year prior to the date of filing of this Information Memorandum is given in para 4 (a) above.

(d) List of top 50 shareholders of our Company, on a fully diluted basis as of 10 days prior to the date of filing of this Information Memorandum is given in para 4 (b) above.

5. Our Company reserves the right, subject to applicable law and requisite approvals, to alter its capital structure at any time, including after the date of this Information Memorandum till the listing of the Equity Shares of the Company. Such alteration may be in any permissible manner, including by way of split or consolidation of the denomination of Equity Shares, or by way of any mode of further issue of securities (including issue of securities convertible into or exchangeable, directly, or indirectly for Equity Shares).
6. As on the date of this Information Memorandum, our Promoters & Promoter Group hold 4,68,93,777 Equity Shares, equivalent to 34.84% of the issued, subscribed, and paid-up Equity Share capital of our Company.

   For details refer shareholding of our Promoters and Members of our Promoter Group at page 13.

7. All the Equity Shares held by our Promoters and Promoter Group were fully paid-up on the date of allotment of such Equity Shares.
8. As on the date of this Information Memorandum, none of the Equity Shares held by our Promoters are pledged.
9. Except as disclosed under section titled *"Our Management"* at Page 57, none of the Directors or Key Managerial Personnel hold any Equity Shares as on the date of this Information Memorandum.
10. As on the date of this Information Memorandum, there are no outstanding warrants, options, or rights to convert debentures, loans, or other instruments into Equity Shares, except 91,85,107 stock options to be granted under Employee Stock Option Plan pursuant to the Scheme.
11. Except for the allotment of the Equity Shares pursuant to the Scheme, no Equity Shares have been issued pursuant to a scheme approved under Sections 230 to 232 of the Act.
12. Our Company shall have an employee stock option scheme, pursuant to the scheme.
13. Our Company has not issued any Equity Shares out of revaluation reserves.
14. Our Company, our directors and our promoters have not entered into any buy-back, standby, or similar arrangements to purchase equity shares of our Company from any person.

15. There shall be only one denomination of equity shares of our Company, subject to applicable regulations and our Company shall comply with such disclosure and accounting norms, as specified by SEBI from time to time.
16. Other than pursuant to the Scheme, the members of the Promoter Group, the directors of the Company who is a promoter of the Company and/or our Directors and their relatives have not purchased or sold or financed, directly or indirectly, any Equity Shares in the six months immediately preceding the date of filing of this Information Memorandum.
17. There shall be no further issue of capital by our Company whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of approval of the Scheme till listing of the Equity Shares allotted as per the Scheme.
18. In accordance with the SEBI Circular, the shareholding of our Promoters, Promoter Group and shareholders is exempt from Lock-in, since the shareholding of our Company, immediately upon issuance of the Equity Shares pursuant to the Scheme, was exactly similar to the shareholding pattern of NIIT as on Record Date.
19. At least 25% of the post-Scheme paid up share capital of our Company comprises Equity Shares allotted to public shareholders.

BANSI S. MEHTA &CO.
Chartered Accountants

To,
The Board of Directors,
NIIT Learning Systems Limited
Plot no 85, Sector 32,
Institutional Area,
Gurugram, Haryana-122001

Dear Sir/ Madam,

Sub: Practicing Chartered Accountant's Confirmation on the Statement of Possible Special Tax benefits available to the Company, its shareholders and the subsidiaries of the Company under the provisions of the applicable direct and indirect-tax laws applicable in India

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1. We, BANSI S. MEHTA & CO., Chartered Accountants, are informed by the Company that it has proposed to list its equity shares on BSE Limited and National Stock Exchange of India Limited issued pursuant to the Composite Scheme of Arrangement under sections 230 to 232 of the Companies Act, 2013 between NIIT Limited (hereinafter referred to as the "NIIT" or "the Demerged Company") and NIIT Learning Systems Limited ("the Company or "NLSL"") their respective shareholders and their respective creditors, ("the Scheme") approved by the National Company Law Tribunal, Chandigarh Bench vide its order dated May 19, 2023. Therefore, the Company requires a firm of Chartered Accountants, practicing in India, to confirm that the Statement of Possible Special Tax benefits ('Statement') prepared by the Management of the Company sets out the possible special tax benefits available to the Company, its shareholders and the subsidiaries of the Company under the provisions of the applicable direct and indirect-tax laws, as amended and read with rules, circulars and notifications, applicable for Financial Year 2023-24.

2. In this connection, we, BANSI S. MEHTA & CO., Chartered Accountants, have been appointed by the Company to issue the said confirmation letter in accordance with the terms of our engagement letter dated June 15, 2023.

3. The accompanying Statement as detailed in "Annexure A" contains the possible special tax benefits available to the Company and its shareholders and the subsidiaries of the Company under the provisions of the applicable direct and indirect-tax laws in India, as amended and read with rules, circulars and notifications, applicable for Financial Year 2023-24, as prepared by the management.

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Management's Responsibility for the Confirmation

4. The Management of the Company is responsible for preparation and maintenance of the Statement and other records supporting its contents, to give complete and correct information regarding possible special tax benefits available to the Company and the shareholders of the Company under the provisions of the applicable direct and indirect-tax laws, as amended and read with rules, circulars and notifications, applicable for Financial Year 2023-24.

5. The Management's responsibility includes designing, implementing, and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

6. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditor's Responsibility for the Confirmation

7. Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (the 'ICDR Regulations'), our responsibility is to confirm that the Statement prepared by the Management of the Company sets out the possible special tax benefits available to the Company, its shareholders and the subsidiaries of the Company under the provisions of the applicable direct and indirect-tax laws as on the date of our Report.

8. Our Confirmation is based on the information, explanations and representations obtained from the Company and based on our understanding of the business activities and operations of the Company.

9. We conducted our examination of the statement in accordance with the Guidance Note on "Reports or Certificates for Special Purposes (Revised 2016)" issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

10. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Inherent Limitations

11. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information:

Several of these benefits are dependent on the Company, its shareholders and/or the subsidiaries of the Company fulfilling the conditions prescribed under the relevant provisions of the applicable laws read with rules, circulars and notifications thereto. Hence, their ability to derive the tax benefits is dependent upon fulfilling such conditions, which on the basis of the business imperatives faced, they may or may not choose to fulfil. The benefits discussed in the enclosed Statement are not exhaustive.

The statement is only intended to provide general information to the shareholders and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each shareholder is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of investment in shares of NLSL, particularly in view of the fact that certain recently enacted legislations may not have a direct legal precedent, or may have a different interpretation on the benefits, which the shareholder can avail.

Also, our confirmation is based on the existing provisions of law and our interpretation of the same, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

12. We do not express an opinion or provide any assurance as to whether:

(a) The Company, its shareholders and the subsidiaries of the Company will continue to obtain the benefits as per the Statement in future;
(b) The conditions prescribed for availing the benefits, wherever applicable have been/ would be met with; and
(c) The revenue authorities/courts will concur with the views expressed herein.

Opinion

13. Based on the information, explanations and representations obtained from the Company, we are of the opinion that the Statement prepared by the Management of Company presents, in all material respects, the possible special tax benefits available,

upon the Scheme becoming effective, to the Company and its shareholders, under the provisions of the applicable direct and indirect-tax laws as on the date of our Report.

Restriction on use

14. This confirmation letter is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Information Memorandum to be filed by the Company with Securities and Exchange Board of India and the concerned Stock Exchange(s) in connection with the proposed listing. Accordingly, neither we, nor our Partners and employees, owe or accept any duty of care or any responsibility to any other party, whether in contract or in tort (including without limitation, negligence or breach of statutory duty) however arising, and shall not be liable in respect of any loss, damage or expense of whatever nature which is caused to any other party to whom this confirmation letter is shown or into whose hands it may come without our prior consent in writing.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

ANJALI AGRAWAL
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Date: 2023.06.27 16:33:52 +05'30'

ANJALI AGRAWAL
Partner
Membership No. 135137
UDIN : 23135137BHAAOG8490

PLACE : Delhi
DATED : June 27, 2023

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Annexure A

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY, ITS' SHAREHOLDERS AND THE SUBSIDIARIES OF THE COMPANY UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS IN INDIA

The information provided below sets out the possible special tax benefits in the hands of the **NIIT Learning Systems Limited** ("the Company or NLSL"), its shareholders and the subsidiaries of the Company in a summary manner only and is not a complete analysis or listing of all potential tax consequences on the subscription, ownership and disposal of equity shares, under the current tax laws presently in force in India. Several of these benefits are dependent upon fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company, its shareholders and the subsidiaries of the Company to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business imperatives faced, they may or may not choose to fulfill.

The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES ON PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION, ESPECIALLY IN VIEW OF THE FACT THAT CERTAIN RECENTLY ENACTED LEGISLATION MAY NOT HAVE A DIRECT LEGAL PRECEDENT OR MAY HAVE A DIFFERENT INTERPRETATION ON THE BENEFITS AND CONSEQUENCES.

I. POSSIBLE SPECIALTAX BENEFITS UNDER THE INCOME-TAX ACT, 1961, ("the IT Act") - DIRECT TAX LAWS:

The law stated below is as per the Income-tax Act, 1961 ('the IT Act') as amended by Finance Act, 2023.

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NIIT Learning Systems Limited Gurugram

A. NIIT LEARNING SYSTEMS LIMITED

1. Section 115BAA has been inserted in the IT Act w.e.f. 1 April 2020 (A.Y. 2020-21). The said section grants an option to a domestic Company to be taxed at a concessional corporate tax rate of 22% (as increased by the applicable surcharge and cess). Pursuant thereto, the said domestic Company is not entitled to certain stipulated deductions (including Chapter VIA deduction (except section 80JJAA and section 80M).

   Further, the domestic companies opting for 115BAA will not be required to pay Minimum Alternate Tax ('MAT') under section 115JB. Since the MAT provisions under section 115JB itself would not apply to such companies, brought forward MAT credit (if any) would also not be available for set-off.

   NLSL has yet to opt for section 115BAA of the IT Act and intends to opt for said section with effect from Assessment Year 2023-24. Once the Company decides to opt for applicability of concessional tax rate, it would not be eligible to claim stipulated deductions and MAT credit, if any.

2. With respect to a resident corporate shareholder, a new section 80M is inserted vide Finance Act, 2020 which intends to eliminate the cascading tax effect in case of inter-corporate dividends by providing a deduction in respect of dividends received by a domestic company, to the extent such dividend is distributed by it on or before the due date. In this case, due date means one month prior to the date for furnishing the return of income under sub-section (1) of section 139 of the IT Act. The company, if so intends, can claim the benefit of said section in respect of dividends, if any, distributed to it by its subsidiaries.

3. As per Section 80JJAA, where the gross total income of an assessee to whom section 44AB applies, includes any profits and gains derived from business, subject to the conditions contained in section 80JJAA(2), it is allowed a deduction of an amount equal to 30% of additional employee cost (as defined in the section) incurred in the course of such business in the previous year, for 3 assessment years including the assessment year relevant to the previous year in which such employment is provided. The Company shall be eligible for this deduction in case of employment of additional employees as defined in the section.

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NIIT Learning Systems Limited Gurugram

B. SHAREHOLDERS OF THE COMPANY:

1. There are no special tax benefits available to the shareholders of the Company under the domestic Income Tax Law specific to their investment in the equity shares of the Company, other than those that are generally available to the shareholders of any Indian company. In case of non-resident shareholders, the tax rates and the consequent taxation shall be subject to any benefits available under the Double Taxation Avoidance Agreement ("DTAA"), if any, between India and the country of residence of the non-resident, subject to satisfying the relevant conditions including but not limited to:
   a) conditions (if any) present in the said DTAA read with the relevant provisions of the Multilateral Instrument ("MLI") as ratified by India with the respective country of which the said shareholder is a tax resident;
   b) non-applicability of General Anti-Avoidance Rule ("GAAR"); and
   c) providing, filing and maintaining necessary information and documents as prescribed under the IT Act read with applicable rules, circulars and/or notifications.

2. Further, the non-resident shareholders would be eligible to claim foreign tax credit in respect of taxes paid in India, based on the local laws of the country of residence of the non-resident.

3. The Finance Act, 2021 has amended section 234C of the IT Act w.e.f. FY 2020-21 pursuant to which interest at the rate of 1% shall not apply in respect of shortfall of advance tax payment on account of under estimation or failure to estimate dividend income as defined in section 2(22), excluding sub-clause (e) thereof.

4. The period of holding for shares allotted in consideration of a demerger in accordance with section 2(19AA) ("qualifying demerger") shall include the period for which the original shares in demerged company were held by the shareholder as provided under clause (g) to Explanation 1 to section 2(42A) of the IT Act.

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NIIT Learning Systems Limited Gurugram

5. Further, in case of shares of the resulting company received pursuant to a qualifying demerger, the cost of acquisition of such shares as per section 49(2C) shall be determined based on the below formula:

$$\text{Cost of acquisition of shares of resulting company} = \text{Cost of acquisition of shares in demerged company} * \frac{\text{Net book Value of the assets transferred in the demerger}}{\text{Net worth of the demerged company before the demerger}}$$

C. SUBSIDIARIES OF THE COMPANY:

All the subsidiaries of the Company in FY 2023-24 are foreign companies which does not have any special benefit available to them under the IT Act.

II. POSSIBLE TAX BENEFITS UNDER INDIRECT TAX LAWS:

A. The Company and the subsidiaries of the Company are not entitled to any special tax benefits under the Central Goods and Services Act, 2017, applicable State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, the Customs Act, 1962 and the Customs Tariff Act, 1975.

Notes:

1. The Statement sets out only the special tax benefits available to the Company, its shareholders and the subsidiaries of the Company as per the current tax law as applicable in India and as amended from time to time as applicable to the financial year 2023-24. The Statement does not cover general tax benefits available to the Company, its shareholders and the subsidiaries of the Company as per the current tax law as applicable in India and as amended from time to time.

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2. The above statement of possible direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences in relation to the purchase, ownership and disposal of the equity shares.

3. This statement is intended only to provide general information to the shareholders and is neither designed nor intended to be substituted for professional tax advice. In view of the individual nature of tax consequences, each shareholder is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her participation in the scheme.

4. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. These views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. The Company does not assume responsibility to update the views consequent to such changes.

5. The above statement sets out the possible tax benefits in the hands of the Company, its shareholders and the subsidiaries of the Company under the current tax laws presently in force in India. Several of these benefits available are dependent on the Company, its shareholders and the subsidiaries of the Company fulfilling the conditions prescribed under the relevant tax laws.

THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX BENEFITS/CONSEQUENCES. THE NOTE SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

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SECTION V – ABOUT US

INDUSTRY OVERVIEW

You should read the following summary together with the risk factors and the more detailed information about us and our financial results included elsewhere in this Information Memorandum. The information presented in this section includes data from various industry reports and public sources. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.

NIIT Learning Systems Limited (NLSL): NLSL offers Managed Training Services (MTS), which includes outsourcing of Learning & Development (L&D) and Talent Transformation Services to market-leading companies and institutions in North America, Europe, Asia, and Oceania. The comprehensive suite of MTS includes custom curriculum design and content development, learning administration, learning delivery, strategic sourcing, learning technology, and advisory services. L&D Transformation Services include augmented reality / virtual reality-based learning solutions, curriculum transformation, and portfolio optimization. With a team of some of the world's finest learning professionals, CLG helps customers run training like a business by improving the efficiency and effectiveness of their L&D and Talent Management functions.

Environment and State of the Industry

After a sharp decline in calendar year 2020, the global economy rebounded sharply in 2021. This was driven by the success of vaccination drives, which have covered substantial parts of the population globally, a pick-up in economic activity and international trade as severe lockdowns were lifted, as well as supportive fiscal and monetary policies across major economies despite multiple waves of the pandemic that disrupted economies from time to time.

However, as the world completes the third year of the pandemic, the global economy is going through a phase of exceptional uncertainty caused by new variants of the virus, unprecedented supply chain bottlenecks leading to high inflation in labor, food, and commodity prices, even as major economies are forced to roll back stimulus measures, tighten money supply, and increase interest rates to counter the imbalances during the previous two years. This is further compounded by the war in Europe.

The Russia-Ukraine conflict has triggered a costly humanitarian crisis that demands a peaceful resolution. At the same time, economic fallout from the conflict has further contributed to the slowdown in global growth and also added to inflation. Multilateral efforts to respond to the humanitarian crisis, prevent further economic fragmentation, maintain global liquidity, manage debt distress, tackle climate change, and end the pandemic are the key areas to be looked upon.

Global growth slowed from 6.1% in 2021 to an estimated 3.4% in calendar years 2022. The International Monetary Fund (IMF) now forecasts 2.8% growth in 2023 and 3% in 2024. War-induced commodity price increases and broadening price pressures have further fueled inflationary pressures with headline inflation at multi-decade high of 8.7% in 2022. Inflation is much stickier than anticipated even a few months ago. While global inflation has started to decline and headline inflation is expected to decline to 5.1% by the end of 2023, that reflects mostly the sharp reversal in energy and food prices. But core inflation, excluding the volatile energy and food components, has not yet peaked in many countries.

Covid-19 resulted in the compression of digital adoption expected over the next several years into a few months. Businesses accelerated their digital transformation not only to ensure continuity but also to take advantage of this trend. As economies emerged from lockdowns, hybrid models have emerged as the new normal.

Overall consumption of corporate training, which had seen a sharp declining trend in FY21, stabilized during FY22 and had started to see some recovery. The prevailing economic uncertainty is not only impacting the recovery of spends and slowed down decision making it is leading to cutbacks and/or deferral of spends for the near term. However, increasing complexity, demand for new skills, and demand for greater accountability on spends are expected to continue to drive companies to partner with specialist learning services providers to achieve greater efficiency and effectiveness of spends.

Global companies spend over USD 370 billion per year on training with about two thirds of the spends on proprietary training. Majority of this cost is for internal L&D resources which is fixed in nature and inefficient due to less-than-optimal utilization. The penetration of learning outsourcing is about USD 10 billion currently representing a large headroom for further growth of outsourcing. Changing skills requirements and pressure to reduce costs is increasing demand for specialist training firms that can help to improve both efficiency and effectiveness of training.

The market is currently fragmented with a few large players that have achieved scale including large technology and HR outsourcing firms and a few specialist providers. NLSL ranks among the top 5 global players in terms of revenue from Learning Outsourcing, among specialist providers, NIIT is ranked number two globally in terms of size.

OUR BUSINESS

Overview

NLSL offers Managed Training Services (MTS), which includes outsourcing of Learning & Development (L&D) and Talent Transformation Services to market-leading companies and institutions in North America, Europe, Asia, and Oceania. The comprehensive suite of MTS includes custom curriculum design and content development, learning administration, learning delivery, strategic sourcing, learning technology, and advisory services. L&D Transformation Services include augmented reality / virtual reality-based learning solutions, curriculum transformation, and portfolio optimization. With a team of some of the world's finest learning professionals, NLSL helps customers run training like a business by improving the efficiency and effectiveness of their L&D and Talent Management functions.

NLSL provides Managed Training Services to Global Multinational Companies headquartered in North America and Europe.

Global spending on corporate training is estimated to be USD 370 billion per annum (Training Industry: 2019). Companies typically spend over 1% of their revenue on employee training (excluding the cost of employees in training). This represents over a thousand dollars per employee each year. About two thirds of the spend is toward proprietary training so that employees can do their specific job or customers can adopt their products. This includes areas such as training on proprietary products, processes, and systems of respective companies. The majority of this spending is on the salaries of internal L&D staff. Balance spending is on buying off-the-shelf or standardized training from third parties.

All this training needs to be created, maintained, updated frequently for changes, and delivered to internal employees or customers. Companies employ dedicated L&D staff to do this, which is often underutilized. While training demand fluctuates, the cost is largely fixed. Training is not their core activity, and therefore their efficiency and effectiveness are not consistent.

NLSL operates in this space and is an established leader in Managed Learning Services. NLSL can do this work significantly faster, better, and more efficiently compared to internal training organizations. In addition, NLSL brings unique capabilities that internal training organizations do not have and are not viable for them to invest in for captive use.

NLSL helps its corporate customers achieve strong benefits of reduction in cost and fixed head count for training, as well as move to a variable model (pay per use) while achieving substantial improvement in learning outcomes (including reduced time spent for upskilling, improved productivity, improved business results, including increase in sales).

Outsourcing of proprietary training is underpenetrated, with external spending on Learning Services at about $10 billion per annum which is less than 5% of the overall L&D spends. Currently, less than 250 out of the Fortune 1000 companies outsource training in any substantial way. This represents a large opportunity for your Company with significant headroom for growth.

The market for Managed Training Services is expected to grow substantially as companies focus on their core business, and training specialist companies demonstrate reliability and improvement in both efficiency and effectiveness of learning.

Learning and Development (L&D) is increasingly seen as a key enabler for business success. Therefore, global corporations are not only demanding greater accountability and efficiency on spending from their L&D function but are also expecting L&D investments to lead to a measurable improvement in employee productivity and business outcomes.

NLSL offers innovative solutions under its Managed Training Services that help clients accelerate the business impact. NIIT's team of learning professionals is helping the world's leading companies transform their training function through training outsourcing services that reduce costs, add a measurable value, and increase the business impact, while allowing customers to redirect resources and energy into core business functions.

Global companies are increasing the use of technology, especially around augmented reality (AR) and virtual reality (VR), to drive L&D transformation. NLSL is taking the lead in helping companies in this area.

NLSL provides the following services to its customers:

- Custom Content and Curriculum Design
- Learning Delivery
- Learning Administration
- Strategic Sourcing
- Learning Technology
- Advisory Services
- Application Rollout Training
- L&D Transformation Services
- Talent Transformation Solutions

The strong value proposition, innovation, and excellence in customer service continue to be widely recognized. This is also reflected in the large number of industry recognitions and awards that the business has received year after year.

In FY23, the business achieved revenues of Rs 13,618 million, a growth of 20% YoY, EBITDA was Rs 3,154 million with EBITDA margin at 23%. This includes impact of the acquisition of St. Charles Consulting Group (STC) from November 5, 2022. Excluding the acquisition, the business grew 11% YoY.

During this period, the business signed MTS contracts with 12 new customers. As of March 31, 2023, the business had revenue visibility of USD 363 million and MTS customer tally of 80.

The company ended the year with net cash of Rs. 4,563 million.

Intellectual Property Rights

Pursuant to the Scheme:

(a) All the Intellectual Property currently being used, primarily or solely, by the CLG Business Undertaking as set out in Schedule III of the Scheme, shall stand transferred to and be vested in the Transferee Company. The Transferor Company agrees to execute and deliver, at the request of the Transferee Company, all relevant documents and instruments required in respect of the Intellectual Property set out in Schedule III of the Scheme, to vest such rights, title and interest in the name of the Transferee Company and in order to update the records of the concerned registries, wherever applicable, to reflect the name and address of the Transferee Company as the current owner of the Intellectual Property. As part of this Scheme, the Transferor Company shall have the royalty free economic right to use, as a licensee, the Intellectual Property set out in Schedule III of the Scheme, in perpetuity from the Appointed Date, in accordance with such terms and conditions as may be mutually agreed.

(b) All the intellectual property other than those set out in clause (a) above, shall continue to be owned by the Transferor Company. As part of this Scheme, the Transferee Company shall have the royalty free economic right to use, as a licensee, the intellectual property other than those set out in clause (a) above, in perpetuity from the Appointed Date, in accordance with such terms and conditions as may be mutually agreed. Notwithstanding anything contained in this clause, it is hereby clarified that the 'NIIT' and

‘Stackroute’ brands shall continue to be owned by the Transferor Company. As part of the Scheme, the Transferee Company shall have the right to use the ‘NIIT’ and ‘Stackroute’ brands, in perpetuity from the Appointed Date, without payment of any royalty to the Transferor Company. The Transferor Company and the Transferee Company may enter into agreements in relation to the aforementioned arrangements for the ‘NIIT’ and ‘Stackroute’ brands.

(c) Notwithstanding anything contained herein, it is hereby clarified that the Transferor Company and the Transferee Company shall be free to undertake further developments and enhancements to the intellectual property owned by them or licensed to them by the Transferor Company or Transferee Company (as the case may be) (“**Derivative Intellectual Property**”). In the event the Transferor Company or Transferee Company (as the case may be) is desirous of obtaining a license to use any Derivative Intellectual Property which it was not involved in developing (fully or partially), the charges for such Derivative Intellectual Property shall be decided between the Transferor Company and the Transferee Company on such terms and conditions as may be mutually agreed, in accordance with Applicable Laws.

KEY REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws and regulations in India that are applicable to business. The information detailed below has been obtained from various legislations, including rules, regulations and bylaws that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of Indian law, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions. Set forth below are the significant legislations and regulations that generally govern services outsourcing firms based out of India.

1. Employee benefit legislations

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (the "PF Act")
The PF Act provides for payment of provident funds for employee.

Employees' State Insurance Act, 1948 (the "ESI Act")
The ESI Act provides for certain benefits to employees in case of sickness, maternity and 'employment injury' to make provision for certain other matters in relation thereto.

Equal Remuneration Act, 1976 (the "Equal Remuneration Act")
The Equal Remuneration Act provides for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto.

Minimum Wages Act, 1948 (the "Minimum Wages Act")
The Minimum Wages Act provides for An Act fixation minimum rates of wages in certain employments.

Payment of Gratuity Act, 1972 (the "Gratuity Act")
The Gratuity Act provides for a scheme for the payment of gratuity to employees engaged in inter alia in factories, and other establishments and for matters connected therewith.

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the "POSH")
The POSH provides protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and for the matters connected therewith.

The Maternity Benefit Act, 1961
The Maternity Benefit Act, 1961 protects the employment of women during the time of her maternity and entitles her of a 'maternity benefit' - i.e., full paid absence from work - to take care for her child.

The Contract Labour (Regulation and Abolition) Act, 1970
The Contract Labour (Regulation and Abolition) Act, 1970 ("**CLRA**") provides for welfare and health of contract labourers. Under the CLRA, the principal employer has to be registered with the appropriate authority and the contractor has to get licensed by the licensing officer. The contractors are required to provide facilities such as canteens, restrooms, first-aid amongst others. In case of failure of the contractor in providing such facilities, the CLRA shifts the obligation upon the principal employer within a prescribed time period. Contravention of the provisions of the CLRA may result in imprisonment of up to three months or a fine of up to INR 1,000 (Indian Rupees One Thousand Rupees Only).

The Code on Wages, 2019, the Code on Social Security, 2020, Industrial Relations Code, 2020, and the Occupational Safety, Health, and Working Conditions Code, 2020 (the "Codes")
The Central Government has promulgated the Codes consolidating multiple employee benefit legislations in 2019-2020. Ministry of Labor and Employment, Government of India has circulated separate draft Rules (Central) to these Codes for public comments. The Company shall implement the Codes as and when notified by the Government.

2. **Intellectual Property Legislations**

Patents Act, 1970 (the "Patents Act")
The Patents Act governs the patent regime in India and recognises process patents as well as product patents. The Patents Act provides for grant of compulsory license on patents after expiry of three years of its grant in certain circumstances such as reasonable requirements of the public, non-availability of patented invention to public at affordable price or failure to work the patented invention.

Trademarks Act, 1999 (the "Trademarks Act")
The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label, heading and to obtain relief in case of infringement for commercial purposes as a trade description. It prohibits registration of deceptively similar trademarks and provides penalties for infringement, falsifying and falsely applying trademarks.

The Copyright Act, 1957 (the "Copyright Act")
The Copyright Act governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary or artistic works etc. Following the issuance of the International Copyright Order, 1999, subject to certain exceptions, the provisions of the Copyright Act apply to nationals of all member states of the World Trade Organization.

While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favoring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years.

The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner.

Information Technology Act, 2000 (the "IT Act")
The Information Technology Act, 2000 (the "IT Act") has been enacted with the purpose of providing legal recognition to transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as "electronic commerce". The IT Act also seeks to facilitate electronic filing of documents and create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act prescribes punishment for publishing and transmitting obscene material in electronic form. The IT Act has extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India.

Privacy & General Data Protection Regulation (the "GDPR") of the European Union (the "EU")
Privacy or Data Protection in India is presently being governed under provisions of Information Technology Act, 2008, and The Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011. Government of India tabled the Personal Data Protection Bill 2019 (the "PDPB") in Parliament, and same has sent to joint select

committee of Parliament for further deliberations. PDPB is drawn exhaustively considering the present business scenario and stated to be exhaustive, in line with GDPR.

3. **Foreign investment and import/export**

Foreign Direct Investment (the "FDI") in India is governed by the provisions of the Foreign Exchange Management Act, 1999 (the "FEMA") along with the rules, regulations and notifications made by the Reserve Bank of India (the "RBI") thereunder, and the FDI Policy. FDI is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which FDI is sought to be made. Under the automatic route, no prior Government approval is required for the issue of securities by Indian companies/acquisition of securities of Indian companies, subject to the sectoral caps and other prescribed conditions. Under the approval route, prior approval from the relevant ministry/ministries of the Government or RBI is required.

FDI for the items/activities that cannot be brought in under the automatic route (other than in prohibited sectors) may be brought in through the approval route. Foreign investment in Indian securities is regulated through the consolidated FDI Policy and FEMA. The government bodies responsible for granting foreign investment approvals are the concerned ministries/ departments of the Government of India and the RBI.

The Foreign Trade Act (Development and Regulation) Act, 1992 (the "Foreign Trade Act")

The Foreign Trade Act has empowered the Government to make provisions for the development as well as regulation of foreign trade by the way of facilitating imports into as well as augmenting exports from the country and in all the other matters related to foreign trade. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given wide power to prohibit, restrict and regulate exports and imports in general as well as specified cases of foreign trade. The Foreign Trade Act provides for certain appointments, especially that of the Director-General to advise the Central Government in formulating import and export policy and to implement the same. Further, the act commands every importer as well as exporter to obtain a code number called the Importer Exporter Code Number (IEC) from the Director-General or the authorized officer. The act provides for the balancing of all the budgetary targets in terms of imports and exports. The principal objectives here include the facilitation of sustain growth as to the exports of the country, the distribution of quality goods and services to the domestic consumer at internationally competitive prices, stimulation of sustained economic growth by providing access to essential raw materials as well as enhancement of technological strength, industry as well as services and improvement of their competitiveness to meet all kinds of requirement of the global markets.

Foreign Trade Policy & Handbook of Procedure

The Foreign Trade Policy (the "FTP") is notified by the Government in exercise of its powers conferred under the Foreign Trade (Development and Regulation) Act 1962 (the "FTDR Act"). FTP contains all the policies relating to import and export to be followed by the trade, industry and the DGFT authorities. The Handbook of procedure (the "HBP") is notified by the Director General of Foreign Trade by means of a public notice. HBP lays down the procedure to be followed by the exporter and importer or by any licensing authority/Regional authority for the purposes of implementing the FTDR Act. HBP also lays down the various forms, appendices for use by the importers and exporters for availing the various policy benefits.

Customs Act 1962

The Customs Act 1962 contains the law and procedure to regulate the import and export into and out of India. It contains all the statutory provisions to enable the union government to levy customs duties on imports and exports. Section 12 of the Act contains the relevant provisions in this regard. The items and rates of duties are specified in the Customs Tariff Act 1975.

Custom Tariff Act, 1975

The Customs Tariff Act contains the various chapters/sections relating to the items of import and export. The Act specifies the rate of customs duty payable on import and export. Customs duties are of different types, Basic customs duties, Additional customs duty, Antidumping duty, Countervailing duties etc.

4. **Tax legislations**

Income Tax Act, 1961 (the "Income Tax Act")

The Income Tax Act is applicable to every domestic/foreign company whose income is taxable under the provisions of this Act. Every Company required to furnish Accountant's Report under section 92E of the Income-tax Act, 1961 is required to file its Income tax Return for every Previous Year by 31st 30th October November of the Assessment Year. In case of other companies, the due date of filing of Income tax Return is 31st October of the Assessment Year. Additionally, every company is required to comply with other provisions under the Income-tax Act, 1961, as applicable to the company, in relation to Tax Audit, Transfer Pricing, Tax Deduction at source, Tax Collection at Source, Advance tax, Minimum Alternate Tax, etc.

Goods & Services Tax Act, 2017 (the "GST Law")

GST law imposes tax on sale of goods or services, and comprises of (i) Central Goods and Services Tax Act, 2017 (ii) State Goods and Services Tax Act, 2017 as notified by respective States, (iii) Union Territory Goods and Services Tax Act, 2017, (iv) Integrated Goods and Services Tax Act, 2017 including Integrated Goods and Services Tax (Extension to Jammu and Kashmir Act, 2017), (v) Goods and Services Tax (Compensation to States) Act, 2017 (hereinafter referred as CGST, SGST, UTGST, IGST and CESS respectively at the GST portal) and (vi) Rules, Notifications, Amendments and Circulars issued under the respective Acts.

5. **Other laws**

In addition to the above, our Company is also required to comply at all times with the provisions of various other laws, rules and regulations including commercial establishments, electricity and other revenue and tax legislations.

The Indian Contract Act, 1872 (the "Contract Act")

The Contract Act lays down general principles relating to the formation, performance, and enforceability of contracts, including provisions as to circumstances under which contracts are considered void, voidable, illegal, or void ab initio. The Contract Act also contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, contingent, and agency. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties, under the general principles set forth in the Contract Act.

Transfer of Property Act, 1882 (the "TP Act")

The TP Act deals with the various methods in which transfer of property, including transfer of immovable property or any interest in relation to that property, between individuals, firms and companies takes place. This mode of transfer between individuals, firms etc. is governed by the provisions of the TP Act, as opposed to the transfer of property or interest by the operation of law. The transfer of property as provided under the TP Act, can be through the mode of sale, gift and exchange while an interest in the property can be transferred by way of a 'lease' or 'mortgage'. The TP Act stipulates the general principles relating to the transfer of property including among other things identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property.

The Indian Stamp Act, 1899 ("the "Stamp Act")

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the Union list, is governed by the provisions of the Stamp Act, which is enacted by the Central Government. The applicable rates for stamp duty on the instruments chargeable with duty are prescribed in the schedules to the Indian Stamp Act and the relevant stamp legislations enacted by each State. Instruments chargeable to duty under the Stamp Act, which are not duly stamped are incapable of being admitted in a court of law as evidence of the transaction contained therein. The stamp enactments also provide for impounding of instruments that are not sufficiently stamped or not stamped at all.

The Environment (Protection) Act, 1986 (the "EP Act")

The EP Act has been enacted for the protection and improvement of the environment. EP Act empowers the government to take measures to protect and improve the environment such as by laying down standards for emission and discharge of pollutants, providing for restrictions regarding areas where industries may operate. It is in the form of an umbrella legislation designed to provide a framework for Central Government to coordinate the activities of various central and state authorities established under previous laws. It is also in the form of an enabling law, which delegates wide powers to the executive to enable bureaucrats to frame necessary rules and regulations.

Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act")

The Water Act was enacted to control and prevent pollution and for maintaining or restoring of wholesomeness of water in the country and any person intending to establish any industry, operation or process or any treatment and disposal system which is likely to discharge sewage or other pollution into a water body is required to obtain prior consent of the relevant state pollution control board ("**SPCB**"). The SPCBs are vested with diverse powers to deal with water and air pollution, have been established at the Central level and in each State. The SPCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries, and undertaking investigations to ensure that industries are functioning in compliance with the standards prescribed. All industries and factories are required to obtain consent orders (renewed annually) from the SPCBs, which are indicative of the fact that the factory or industry in question is functioning in compliance with the pollution control norms laid down.

Air (Prevention and Control of Pollution) Act, 1981 (the "Air Act")

The Air Act was enacted to provide for the prevention, control, and abatement of air pollution in India. It is a specialized piece of legislation, which was enacted to take appropriate steps for the preservation of natural resources of the earth, which among other things include the preservation of the quality of air and control of air pollution. The Air Act stipulates that no person shall, without prior written consent of the relevant state pollution control board, establish or operate any industrial plant, which emits air pollutants in an air pollution control area, as notified by the state pollution control board.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

NIIT Learning Systems Limited (Company") having Corporate Identity Number (CIN) U72200HR2001PLC099478 was incorporated as a public limited company under the Companies Act, 1956 on July 16, 2001, under the name of Minimally Invasive Education Company Limited. The name of the Company was changed to Hole-In-The-Wall Education Limited vide fresh certificate of incorporation dated February 7, 2003, issued by the Registrar of Companies, National Capital Territory of Delhi, and Haryana. The name of the Company was changed to MindChampion Learning Systems Limited vide fresh certificate of incorporation dated June 18, 2015, issued by Registrar of Companies, National Capital Territory of Delhi and Haryana. Further, the name of the Company was changed to its present name i.e., NIIT Learning Systems Limited vide fresh certificate of incorporation dated January 18, 2022. The Company had its registered office at 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi-110019 which was shifted to Plot No. 85, Sector-32, Institutional Area, Gurugram 122001 (Haryana) with effect from November 5, 2021. Its Permanent Account Number with the Income Tax Department is AACCM9500C. The email address of the Company is investors@niimts.com. The shares of the Company are not listed on any of the stock exchanges.

Main Objects of Our Company

The main objects of the Company, as set out in its Memorandum of Association, have been reproduced below:

1) To involve in the research and development activities for the purpose of discovering the extent to which poor children in rural and slum areas in India can (a) access and (b) learn from web-based curriculum using a purpose built 'Internet kiosk'; the minimal level of intervention required to assist children to master a curriculum - and the extent to which this intervention can be software based; the extent to which the 'Internet kiosk' concept is commercially viable, thus enabling the protect lo become sustainable in the medium to long term.

2) To engage into the business of providing education, training and skill development in the field of education including but not limited to computer hardware, software, networking, web technology and e-commerce.

3) To engage into the provide consultancy services to Government, Semi Government and private agencies engaged in research and development in computer education, software development, internet and e-commerce.

4) To carry on the business of providing solutions and services related to Web-technologies, the Internet and e-commerce, including but not limited to hosting and application services.

5) To carry on the business of providing and supply of systems integration of software, computer hardware, computer peripherals, networking and communication components, cabling, power supply equipment, appropriate fixtures, metering, and monitoring devices, conventional and brood-bond wireless, wireline and optical communications equipment and to unde1take all other related activities. “During the lost five years, there has been no change in the objects clause of the Transferee Company”.

During the last five years, there has been no change in the objects clause of the Company except for the following changes in MOA/AOA:

Year	Events
2020	Change in authorised share capital from Rs. 80,00,00,000 to Rs. 1,20,00,00,000
2021	Shifting of registered office from NCT of Delhi to the State of Haryana
2022	Change of name of the Company to NIIT Leaning Systems Limited from MindChampion Learning Systems Limited
2023	Pursuant to the Scheme, authorised share capital was reorganized by reducing the face value of equity shares from Rs. 10/- to Rs. 2/- thus divided into 60,00,00,000 equity shares of Rs. 2/- each aggregating to Rs. 1,20,00,00,000

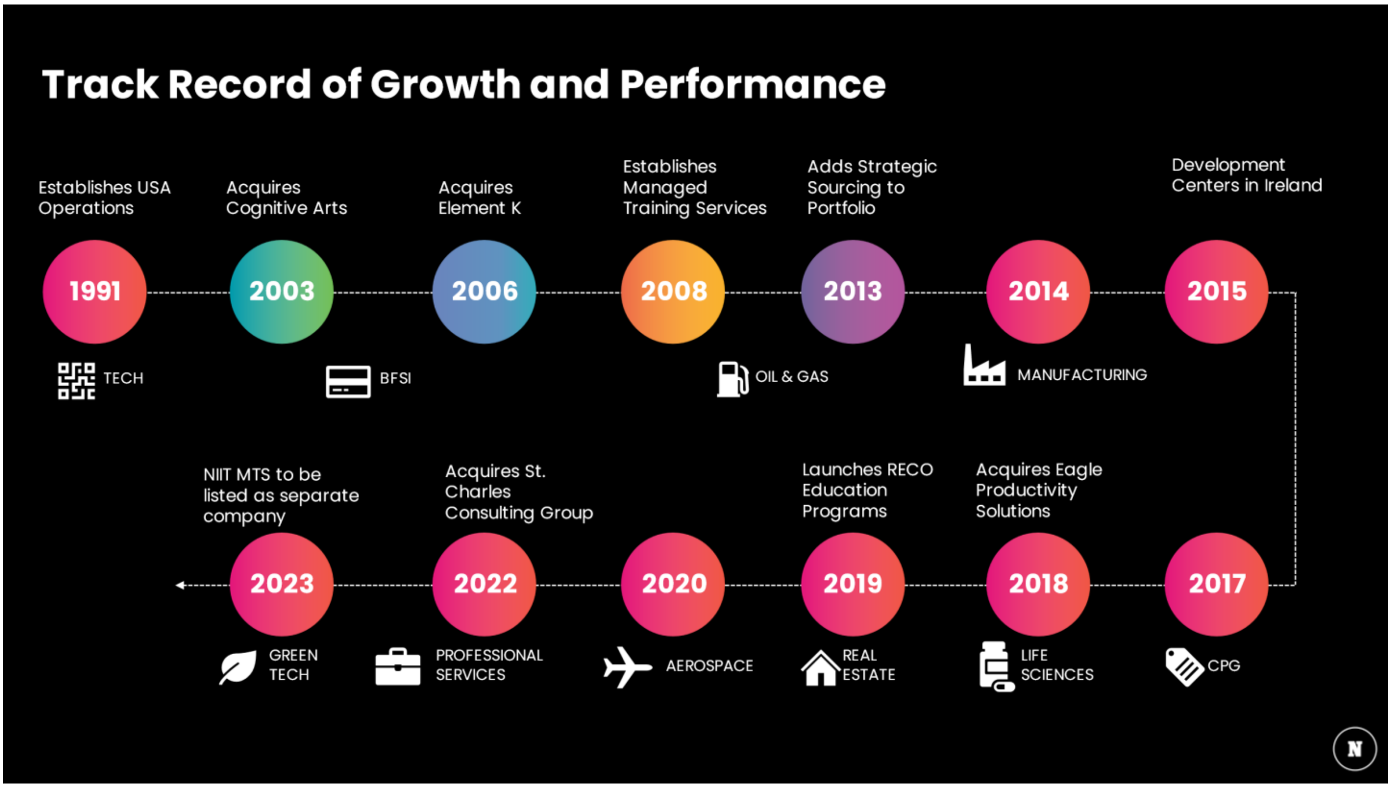
Business of Our Company

Prior to the Scheme becoming effective, the Company was engaged in providing managed training solutions which predominantly include technology-based solutions for learning and education management to improve efficiency and effectiveness to customers in the education sector in India and international markets. The Company also offers a comprehensive suite of solutions including content, learning delivery, assessments and technology for students and teachers, as well as solutions for institution administration and management.

After the Scheme becoming effective, the Company also offers Managed Training Services ("MTS") which includes outsourcing of Learning & Development ("L&D") and Talent Transformation Services to market-leading companies and institutions in North America, Europe, Asia, and Oceania. The comprehensive suite of MTS includes custom curriculum design and content development, learning administration, learning delivery, strategic sourcing, learning technology, and advisory services. L&D Transformation Services include augmented reality/ virtual reality-based learning solutions, curriculum transformation, and portfolio optimization. With a team of some of the world's finest learning professionals, CLG helps customers run training like a business by improving the efficiency and effectiveness of their L&D and Talent Management functions.

Key Events and Milestones of our Company

The CLG business Undertaking has been serving its customers for a long time and a brief track record of growth and performance as well as awards and accreditations are given in tables hereunder:



Awards and accreditations

Holding Company

NIIT Limited was the holding company of our Company prior to the Scheme becoming effective. As on the date of this Information Memorandum, our Company does not have a holding company.

SUBSIDIARIES

As on the date of this Information Memorandum, our Company have following wholly owned subsidiaries and step-down subsidiaries, consequent to the Scheme:

List of direct Subsidiaries:

- NIIT (USA) Inc., USA
- NIIT Limited, U.K.
- NIIT (Ireland) Limited, Ireland
- NIIT Malaysia Sdn. Bhd., Malaysia
- NIIT West Africa Limited, West Africa

List of Step-Down Subsidiaries

- NIIT Learning Solutions (Canada) Limited, Canada
- St. Charles Consulting Group, LLC, USA
- Stackroute Learning Inc., USA
- Eagle Training Spain, S.L., Spain
- NIIT Mexico, S. DE R.L. DE C.V., Mexico
- NIIT Brazil LTDA, Brazil

Shareholders' agreements

As on the date of this Information Memorandum, there are no subsisting shareholders' agreements in relation to our Company.

Material agreements

There are no material agreements entered into by our Company, other than in the ordinary course of business of the Company that is subsisting on the date of this Information Memorandum. For details on agreements with related parties, refer to section titled "Related Party Transaction" on Page 82 of this Information Memorandum.

Further, there is no agreement entered into by a Key Managerial Personnel or Director or Promoter of our Company, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings in the securities of our Company.

Key events and milestones in the history of our Company

The following table sets forth the recent relevant key events and milestones in the history of our Company, since incorporation:

Year	Events
2015	Transfer and vesting of School Business Undertaking from NIIT Limited to the Company pursuant to the Scheme approved by the Hon'ble Delhi High Court vide its order pronounced on May 8, 2015.
2021	Shifting of registered office from NCT of Delhi to the State of Haryana
2022	Change of name of the Company from MindChampion Learning Systems Limited to NIIT Leaning Systems Limited
2023	Transfer and vesting of CLG Business Undertaking from NIIT Limited to the Company pursuant to the Scheme approved by the Hon'ble NCLT vide its order pronounced on May 19, 2023.

Defaults or rescheduling / restructuring of borrowings with financial institutions / banks

Based on provisions of the Composite Scheme of Arrangement, and subject to the provisions of Applicable Law, the Boards of NIIT and the Company may authorise the execution of appropriate arrangements between the companies and the lenders, as may be required, in respect of any loans raised by NIIT prior to the Effective Date, pertaining to the CLG Business Undertaking. Our Company has not defaulted on repayment of any loan.

Other Confirmations

a. Other than as provided above, there has been no rescheduling of our borrowings from any financial institution.
b. Other than as provided above, our Company does not have any strategic / financial partners.
c. As on date of filing the Information Memorandum, there has been no acquisition of business, undertakings, mergers, amalgamations, or revaluation of assets, other than pursuant to the schemes as mentioned hereinabove.

SCHEME OF ARRANGEMENT

Composite Scheme of Arrangement between NIIT Limited and NIIT Learning Systems Limited and their respective shareholders and creditors (under sections 230 to 232 and other relevant provisions of the Companies Act, 2013).

Rational provided in the Scheme:

a. The transfer and vesting of the CLG Business Undertaking by the Transferor Company into the Transferee Company pursuant to the Scheme shall be in the interest of all concerned stakeholders including shareholders, customers, creditors, employees, and general public, in the following ways:

   i. The CLG Business and the Residual Business (defined hereinafter) address different market segments with unique opportunities and dynamics in terms of business strategy, customer set, geographic focus, competition, capabilities set, talent needs and distinct capital requirements. The transfer of the CLG Business Undertaking into the Transferee Company will enable each business to sharpen their focus and organize their activities and resources to improve their offerings to their respective customers. This would help to improve their competitiveness, operational efficiency, agility and strengthen their position in relevant markets resulting in more sustainable growth and competitive advantage.
   ii. Both businesses have attained a significant size and scale and have a large headroom for growth in their respective markets. As both these businesses are entering the next phase of growth, the transfer and vesting of the CLG Business Undertaking into the Transferee Company pursuant to this Scheme would result in focused management attention and efficient administration to maximize their respective potential.
   iii. Further, as the two businesses have separate growth trajectories, risk profile and capital requirement, the segregation of the CLG Business Undertaking and the Residual Business will enable independent value discovery and lead to unlocking of value for each business.
   iv. The Transferee Company is the existing wholly owned subsidiary of Transferor Company that provides managed training solutions which predominantly include technology-based solutions to customers. Housing the CLG Business Undertaking in the Transferee Company is expected to be synergistic and will leverage the experience and expertise available in the Transferee Company of providing IP driven solutions including content, tools, and platforms to customers in the education sector.

b. As on January 28, 2022, the Transferee Company has an existing paid-up equity share capital of INR 115,56,40,720 (Rupees One hundred and Fifteen Crore Fifty-Six Lakh Forty Thousand Seven Hundred and Twenty only). However, ongoing, and accumulated losses have substantially wiped off the value represented by the paid-up equity share capital. Accordingly, the restructuring of the equity share capital and securities premium of the Transferee Company by way of reduction of paid-up equity share capital and securities premium will rationalize its capital structure.

Salient Features of the Scheme

The salient features of the Scheme, inter alia, are as stated below. The capitalized terms used herein shall have the same meaning as ascribed to them in Clause 1 of Part I of the Scheme:

(a) The Scheme provides for *inter alia*, the following:

   (i) reduction of the existing paid up equity share capital and the securities premium against the accumulated losses of the Transferee Company without any further act and deed, with the approval of Hon'ble Tribunal in terms of Section 66 of the Act as elaborated in Part III of the Scheme;
   (ii) the transfer and vesting of the CLG Business Undertaking of the Transferor Company to the Transferee Company and the consequent issue of equity shares by the Transferee Company to the shareholders of the Transferor Company pursuant to Sections 230 to 232 and other

(ii) relevant provisions of the Act in the manner provided for in the Scheme and in compliance with Section 2(19AA) of Income Tax Act, 1961 as elaborated in Part IV of the Scheme;

(iii) re-organization of the authorized share capital of the Transferee Company as elaborated in Part V of the Scheme.

(b) Upon the Scheme becoming effective, the existing paid up equity share capital of the Transferee Company comprising of 11,55,64,072 equity shares of INR 10/- each aggregating to INR 1,15,56,40,720 (Indian Rupees One Hundred Fifteen Crores Fifty-Six Lakh Forty Thousand Seven Hundred and Twenty) and securities premium amounting to INR 2,00,00,000 (Indian Rupees Two Crores) shall stand reduced and cancelled pursuant to Section 66 and other applicable provisions of the Act.

(c) Upon the Scheme becoming effective, but prior to issuance and allotment of shares of the Transferee Company to the shareholders of the Transferor Company, the authorised share capital of the Transferee Company shall be reclassified/reorganized by reducing the face value of equity shares to INR 2 (Indian Rupees Two, only) divided into 60,00,00,000 equity shares of INR 2 (Indian Rupees Two, only) each aggregating to INR 1,20,00,00,000 (Indian Rupees One Hundred Twenty Crores).

(d) Upon the coming into effect of the Scheme, and in consideration of the transfer and vesting of the CLG Business Undertaking from the Transferor Company into the Transferee Company pursuant to Part IV of the Scheme, the Transferee Company shall, without any further act or deed and without any further payment, on the basis of the Valuation Report, issue and allot to the shareholders of the Transferor Company (whose name is recorded in the register of members of the Transferor Company as holding equity shares on the Record Date) in the following manner:

“For every 1 (one) equity share of the Transferor Company of face value of INR 2 each held in the Transferor Company, every equity shareholder of the Transferor Company, shall without any application, act or deed, be entitled to receive 1 (one) equity share of face value INR 2 each of the Transferee Company, credited as fully paid up on the same terms and conditions of issue as prevalent in the Transferor Company.”

The equity shares of the Transferee Company issued to the shareholders of the Transferor Company under the Scheme will be listed and/ or admitted to trading on the Stock Exchanges where the shares of the Transferor Company are listed on the Effective Date.

(e) The Appointed Date of the Scheme is April 1, 2022. (b) The Scheme shall become effective from the Appointed Date but shall be operative from the Effective Date, i.e., the date on which the Scheme shall become effective pursuant to Clause 12 of the Scheme.

CLG Business Undertaking, as described in Clause 1.2.7 of the Scheme

“CLG Business Undertaking” means the Transferor Company’s business, activities and operations pertaining to the CLG Business, and comprising of all the assets and liabilities, as described hereunder, as on the Appointed Date relating thereto:

(i) all assets (movable or immovable), title, properties, interests, investments, loans, deposits, receivables, advances and rights, including rights arising under contracts, wherever located in India or outside India (including in the possession of vendors, third parties or elsewhere), whether real, personal or mixed, tangible, intangible or contingent, exclusively used or held, by the Transferor Company in, or otherwise identified for use in, the Transferor Company’s undertaking, business, activities and operations pertaining to the CLG Business including inter alia the Subsidiaries as set out in the Subsidiary Company Schedule and investments made by the Subsidiaries as set out in Step-Down Subsidiary Company Schedule (collectively, “Assets”);

(ii) all debts, liabilities, guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, (including, without limitation, whether arising out of any statute, contract or tort based on negligence or strict liability), pertaining to the Transferor Company’s undertaking, business, activities and operations pertaining to the CLG Business (collectively, "Liabilities");

(iii) all existing and future contracts, agreements, request for proposal, bids, responses to invitation for expression of interest, leases, leave and licences, memoranda of undertakings, memoranda of agreements, arrangements, undertakings, whether written or otherwise, deeds, bonds, insurance policies, schemes, arrangements, sales orders, purchase orders or other instruments of whatsoever nature to which the Transferor Company is either a party or it may enter, exclusively relating to the Transferor Company's undertaking, business, activities and operations pertaining to the CLG Business (collectively, "Contracts");

(iv) all registrations, trademarks, trade names, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names, including any derivatives and enhancements thereof, exclusively used by or held for use by the Transferor Company in the Transferor Company's undertaking, business, activities and operations pertaining to the CLG Business including inter alia the copyrights and trademarks set out in Schedule III (collectively, "Intellectual Property");

(v) all permits, licenses, consents, approvals, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights and any waiver of the foregoing issued by any legislative, executive or judicial unit of any Governmental Authority or semi-Governmental entity or any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority exclusively used or held for use by the Transferor Company in the Transferor Company's undertaking, business, activities and operations pertaining to the CLG Business (collectively, "Licenses");

(vi) all such permanent employees of the Transferor Company and employees/personnel engaged on contract basis, as are primarily engaged in or in relation to the Transferor Company's undertaking, business, activities and operations pertaining to the CLG Business, at its respective offices or otherwise, and any other employees/personnel hired by the Transferor Company after the date hereof who are primarily engaged in or in relation to the Transferor Company's undertaking, business, activities and operations pertaining to the CLG Business (collectively, "Employees");

(vii) all taxes, tax deferrals and benefits, subsidies, concessions, refund of any tax, duty, cess or of any excess payment, tax credits (including, without limitation, all amounts claimed as refund, whether or not so recorded in the books of accounts and credits in respect of income tax, such as carry forward tax losses comprising of unabsorbed depreciation), tax deducted at source and goods and services tax, of the CLG Business;

(viii) all rights to any claim not preferred or made by the Transferor Company pertaining to the CLG Business Undertaking in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company pertaining to the CLG Business Undertaking and any interest thereon, under Applicable Law, and in respect of set-off, carry forward of un-absorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortisation benefit, etc. under any Applicable Law, or any other or like benefits under and in accordance with any Applicable Law or act, whether in India or anywhere outside India;

(ix) all legal, tax, regulatory, quasi-judicial, administrative or other proceedings, suits, appeals, applications or proceedings of whatsoever nature, initiated by or against the Transferor Company pertaining to the CLG Business;

(x) all insurance policies relating to the CLG Business;

(xi) all necessary books, records, files, papers, list of present and former customers, suppliers, customer pricing information and other records whether in physical or electronic form in connection with or relating to CLG Business.

Note: The above are the salient features of the Scheme. You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof.

Approvals with respect to the Scheme of Arrangement

The NCLT vide its order dated May 19, 2023, subject to the conditions set out therein, has sanctioned the Scheme. In accordance with the Scheme, the Equity Shares of our Company, issued and allotted subject to applicable regulations, shall be listed and admitted to trading on the BSE and NSE. Such listing and admission for trading is not automatic and will be subject to such other terms and conditions as may be prescribed by the Stock Exchanges at the time of application by our Company seeking listing.

OUR MANAGEMENT

The Articles of Association provides that our Board shall comprise of not less than 3 (three) and not more than 12 (twelve) Directors. As on the date of filing this Information Memorandum, we have 8 (eight) Directors on our Board of whom 4 (four) are Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Listing Regulations and the Act in relation to the composition of our Board and constitution of committees thereof.

Board of Directors

The following table sets forth details of our Board as of the date of filing of this Information Memorandum with the Stock Exchanges:

Sr. No.	Name, Designation, Date of Birth, Age, Address, DIN, Occupation, Date of appointment, Nationality and Tenure	Brief Profile, Experience & Educational Qualification	Other Directorships
1.	Rajendra Singh Pawar **Designation**: Chairman (Non-Executive Director) **Date of birth**: March 6, 1951 **Age**: 72 years **Address**: N-3, Panchshila Park, New Delhi-110017 **DIN**: 00042516 **Occupation**: Business **Date of appointment**: May 24, 2023 **Nationality**: Indian **Tenure**: liable to retire by rotation	Rajendra Singh Pawar is Non-Executive Chairman of the Company. He is also the Executive Chairman and Co-Founder of NIIT Limited, a global leader in skills and talent development, and founder of the not-for profit NIIT University, established with a vision of being the role model of learning, research, innovation and sustainability for the Knowledge Society. Under his leadership, NIIT has played a key role in shaping the growth of the Indian IT sector, by creating skilled manpower to drive its momentum. Having revolutionized the IT Training industry, he is now involved in establishing an innovative model in Higher Education, the not-for-profit NIIT University. Mr. Pawar did his early schooling in Jammu. Then moved to The Scindia School, Gwalior and from there to IIT Delhi. Acknowledging Mr. Pawar's contribution to the IT industry in India, he was awarded the country's prestigious civilian honour, Padma Bhushan, by the President of India in 2011. Mr. Pawar served as a member on the Prime Minister's National Council on Skill Development (2009-2014) and has also been a part of the PM's National Taskforce (1998), commissioned to develop India into an IT Superpower. Actively involved in India's key Chambers of Commerce, Mr Pawar has led several ICT industry fora, including National Association of Software & Service Companies (NASSCOM) as its Chairman in 2011-12. Mr. Pawar was the Chairman of NASSCOM Cyber Security Task Force that was set up in response to the Prime Minister Narendra Modi's vision to see India emerge as a global hub of Cyber Security products and services. He was also the Chairman of the Board of Directors of Data Security Council of India (DSCI). Mr. Pawar's contributions have been widely acknowledged and he has been conferred prestigious awards like- Distinguished Alumnus Award at IIT Delhi in 1995; The 'IT	**Indian Companies:** • NIIT Limited • Pace Industries Private Limited • IT Infrastructure Development Corporation Private Limited • NIIT Education Services • Indian School of Business **Foreign Companies:** Nil

Sr. No.	Name, Designation, Date of Birth, Age, Address, DIN, Occupation, Date of appointment, Nationality and Tenure	Brief Profile, Experience & Educational Qualification	Other Directorships
		man of the Year' by IT industry journal, Dataquest in 1998; 'Master Entrepreneur of the Year' by Ernst & Young in 1999; Madhav Award in 1999 at the Scindia School, Gwalior; Honorary Doctoral Degree by the Rajiv Gandhi Technical University in 2005; Maharaja Gulab Singh Award in 2006; Lifetime Achievement ICT Award 2019 by Dataquest; Lifetime Achievement Award in 2022 by Federation of Indian Chambers of Commerce & Industry (FICCI). He is a Fellow of the Computer Society of India and is a Distinguished Fellow of Institution of Electronics and Telecommunications Engineers. Mr. Pawar was on the founding Board of Shree Mata Vaishno Devi University, Katra. He is on the Board of Governors of India's premier institutions- the Indian School of Business (ISB) Hyderabad and the Scindia School. He is currently serving as the Vice Chairman of National Council of Applied Economy Research (NCAER) Governing Body. He has also served on the boards of IIT Delhi, IIM Bangalore, IIM Udaipur and has been a member of the University Court of Delhi University. He graduated in engineering from the Indian Institute of Technology (IIT), Delhi.	
2.	Vijay Kumar Thadani **Designation**: Vice Chairman & Managing Director **Date of birth**: February 15, 1951 **Age**: 72 years **Address**: 1012B, The Magnolias, DLF Golf Links, Near Park, DLF City-5, Gurugram-122009, Haryana **DIN**: 00042527 **Occupation**: Business **Date of appointment**: March 14, 2016 **Nationality**: Indian **Tenure**: on May 24, 2023, appointed as Vice Chairman & Managing Director for a period of 5 years, liable to retire by rotation	Vijay K Thadani is the Vice Chairman and Managing Director of the Company. He is the Co-Founder of NIIT Group and also serves as Vice Chairman and Managing Director of NIIT Ltd, a leading Global Talent Development Corporation. In addition, he is the Co-Founder of the not-for-profit NIIT University, established with a vision of being the role model of learning, research, innovation and sustainability for the Knowledge Society. In the past, he served as President of the Indian IT industry association, MAIT and as Chairman of the National Accreditation Board for Education and Training (NABET), under the aegis of the Quality Council of India. As an active member of CII, he served as the Chairman of CII Northern Region as also chaired CII's National Committee on Higher Education. In addition, he served as the Chairman of Board of Governors of Indian Institute of Information Technology (IIIT), Allahabad, Chairman of the Board of Governors of MN National Institute of Technology, Allahabad, Chairman of All India Board of Technician Education constituted by AICTE and as a member of the Board of Governors of Indian Institute of Technology (IIT), Delhi. Currently Vijay serves on the Governing Council of All India Management Association (AIMA) , is a member of Board of Governors	**Indian Companies:** • NIIT Limited • NIIT Institute of Finance Banking and Insurance Training Limited • RPS Consulting Private Limited • Triveni Turbines Limited • Global Solutions Private Limited • NIIT Institute of Process Excellence Limited (Under voluntary liquidation w.e.f. February 19, 2020) **Foreign Companies:** • NIIT (USA) Inc. USA • NIIT Learning Solutions (Canada) Limited • NIIT Limited (U.K.) • NIIT (Ireland) Limited • Stackroute Learning Inc. USA • Eagle Training, Spain S.L.U. • St. Charles Consulting Group LLC, USA • NIIT Mexico, S. DE R.L. DE C.V., Mexico • NIIT Brazil LTDA, Brazil

Sr. No.	Name, Designation, Date of Birth, Age, Address, DIN, Occupation, Date of appointment, Nationality and Tenure	Brief Profile, Experience & Educational Qualification	Other Directorships
		of Management & Entrepreneurship and Professional Skills Council (MEPSC) and co-chairs the CII Centre for Digital Transformation. He also serves as an Independent Director on the Board of Triveni Turbine Limited. He has received the recognition of 'Distinguished Alumnus" from his alma mater, the premier Indian Institute of Technology (IIT), Delhi. In addition, he was honoured with the position of 'Economic Consultant' to Chongqing, world's largest city in the People's Republic of China. He graduated in engineering from the Indian Institute of Technology (IIT), Delhi.	
3.	Sapnesh Kumar Lalla **Designation**: Executive Director & Chief Executive Officer **Date of birth**: May 31, 1966 **Age**: 57 years **Address**: Espace-187, Nirvana Country, Sector-50, Gurugram-122018, Haryana **DIN**: 06808242 **Occupation**: Service **Date of appointment**: May 10, 2017 **Nationality**: USA **Tenure**: on May 24, 2023, appointed as Executive Director & Chief Executive Officer for a period of 5 years, liable to retire by rotation	Sapnesh Lalla is Executive Director and Chief Executive Officer of the Company. He is also non-executive Director of NIIT Ltd, a global leader in skills and talent development and a leading provider of managed training services, offering broad-based education and training solutions to corporations, institutions, and individuals in over 30 countries. Sapnesh has served in NIIT India and USA for over 30 years. He started his journey as a Project Lead in the Learning Content Development Team and over the years, has held various Management and Leadership roles in Product Management, Customer Support, Channel Development, Sales and Support functions. He has worked on a number of critical initiatives including NIIT's expansion into North America & Europe and has led significant acquisitions including Cognitive Arts and Element K. He was selected to the Managing Director's Quality Club (MDQC) in 1997 and received the coveted Global Leadership Award in 2001 and 2010. In 2010, he joined the board of NIIT(USA), Inc. in Atlanta, Georgia, USA. He led the enterprise business of the company outside India and helped create and grow unique solutions in the areas of Learning content, learning administration & learning technologies. Among others, he led the conceptualization and growth of Managed Training Services outsourcing which are now being delivered to many global firms in the Fortune 500. In 2017, Sapnesh was appointed CEO of NIIT Ltd. and in August 2021, he was re-designated as Executive Director and Chief Executive Officer of NIIT Limited. During this period, he had taken charge, learned the role, improved the business and order book, organically & inorganically, streamlined the Stackroute business in India and led the company through the recent difficult pandemic times with determination and perseverance. Since then, he has passionately driven the digital transformation of the company and the agenda to scale up	**Indian Companies:** • NIIT Limited • NIIT Institute of Finance Banking and Insurance Training Limited • RPS Consulting Private Limited • NIIT Institute of Process Excellence Limited (Under voluntary liquidation w.e.f. February 19, 2020) **Foreign Companies:** • NIIT (USA) Inc. USA • NIIT Limited (U.K.) • NIIT (Ireland) Limited • NIIT Learning Solutions (Canada) Limited • NIIT China (Shanghai) Limited • Stackroute Learning Inc. USA • Eagle Training, Spain S.L.U. • St. Charles Consulting Group LLC, USA • NIIT Mexico, S. DE R.L. DE C.V., Mexico • NIIT Brazil LTDA, Brazil

Sr. No.	Name, Designation, Date of Birth, Age, Address, DIN, Occupation, Date of appointment, Nationality and Tenure	Brief Profile, Experience & Educational Qualification	Other Directorships
		the business on company's new NIIT Digital platform. He became non-executive director of NIIT Limited on May 24, 2023. Sapnesh is an Electronics and Communications Engineer from Bangalore University and received his Executive Education at the Ross School of Business, University of Michigan.	
4.	Leher Vijay Thadani **Designation**: Non-Executive Director **Date of birth**: April 21, 1985 **Age**: 38 years **Address**: 1012B, The Magnolias, DLF Golf Links, Near Park, DLF City-5, Gurugram-122009, Haryana **DIN**: 03477205 **Occupation**: Service **Date of appointment**: May 24, 2023 **Nationality**: Indian **Tenure**: liable to retire by rotation	Ms. Leher Vijay Thadani has over twelve years of work experience honing capabilities in diverse areas, including reputation management, crisis communications, public affairs, management consulting and client servicing. Currently, Leher is working with the communications team at Google India. Prior to this, she was Vice President, Reputation at Edelman India, a leading global communications firm, developing integrated communications strategies and counseling clients on risk mitigation, crisis communications and stakeholder engagement. Leher's experience in public relations and communications spans a variety of sectors, including technology, food & beverage, energy, automotive, chemicals, and government. Leher's previous work experience includes supporting Central and State-level government entities on trade and investment promotion as part of Ernst & Young's Business Advisory Service, and teaching Mathematics in Baltimore, Maryland (USA). Leher studied Computer Science Engineering and Anthropology at the University of Michigan-Ann Arbor, graduating with a Bachelor of Arts in 2007, and earned a Masters in Business Administration from George Washington University, Washington, DC in 2011.	**Indian Companies:** Nil **Foreign Companies:** Nil
5.	Ravinder Singh **Designation**: Independent Director **Date of birth**: October 16, 1950 **Age**: 72 years **Address**: H. No. 12, 1st Floor, NRI Colony, Mandakni Enclave, New Delhi-110019 **DIN**: 08398231 **Occupation**: Professional **Date of appointment**: May 20, 2023 **Nationality**: Indian **Tenure**: 5 years from the date of appointment, not liable to retire by rotation	Ravinder Singh graduated in engineering from the Indian Institute of Technology (IIT), Delhi. Over a career spanning 49 years he has worked in both public and private sector organisations in the areas of Financial Services, Manufacturing and Consulting. Currently, he is working with USAID on assignments with some of the small island countries in the Pacific region to assist them to develop appropriate polices and processes to access international climate change funds. Ravinder Singh worked with IQL, a consulting and training company in the area of Change Management and Business Processes, from 1994-2006 and was its head from 1999 to 2006. During this period, he worked closely as a consultant with the CEOs and top management of several of the best-known large companies in India. From January 2010 to June 2015, he was a part time consultant with the World Bank, as	**Indian Companies:** • NIIT Institute of Finance Banking and Insurance Training Limited • Active Learning Solutions Private Limited **Foreign Companies:** Nil

Sr. No.	Name, Designation, Date of Birth, Age, Address, DIN, Occupation, Date of appointment, Nationality and Tenure	Brief Profile, Experience & Educational Qualification	Other Directorships
		a member of the panel for accreditation of multilateral and national implementing entities for receiving funds for adaptation projects from the Adaptation Fund. Ravinder Singh also worked as a Fiduciary Expert Consultant with the Green Climate Fund (GCF) from 2014 to 2016. He also undertook several assignments for the United Nations Framework for Climate Change (UNFCCC) and the United Nations Environment Program (UNEP), Asia-Pacific region, Bangkok between 2012 and 2017. Ravinder Singh has also been a certified trainer for Motorola University for its top management programme on Six Sigma. Ravinder Singh has been a member of the board of the National Accreditation Board for Certification Bodies (NABCB) of the Quality Council of India (QCI) – a body established by the Government of India in association with CII, FICCI and Assocham for two terms. He was chairman of the Accreditation Committee of NABCB from 2005 to November 2018. He started his career as management trainee with State Bank of India and worked for 15 years in the areas of Credit, Branch Operations and HR.	
6.	Sangita Singh **Designation**: Independent Director **Date of birth**: June 16, 1969 **Age**: 54 years **Address**: 255, Prestige Ozone, Whitefield Main Road, Bangalore-560066 **DIN**: 07694463 **Occupation**: Service/Professional **Date of appointment**: May 20, 2023 **Nationality**: Indian **Tenure**: 5 years from the date of appointment, not liable to retire by rotation	Sangita Singh is a global business leader with 30 years of experience in the technology industry. She thrives in new challenges and has reinvented herself several times from heading marketing to enterprise apps and Healthcare & Lifesciences to cloud applications. She has been instrumental in delivering hypergrowth for multi-billion-dollar businesses at IBM as General Manager, Cloud Applications, at Infosys as EVP, Healthcare & Life Sciences, and at Wipro Technologies as Chief Executive, Healthcare & Life Sciences. These positions included key technology portfolios of Applications, Cloud, Artificial Intelligence (AI), and industries like Healthcare & Life Sciences. She has worked in New York, London and Bangalore. Currently she is the General Manager at Microsoft India leading the IT & ITeS business. Earlier, she was the Growth Acceleration Advisor at VIANAI, a Silicon Valley-based start-up, consulting with CIOs & CDOs in the Healthcare and Life Sciences sector, to solve complex business problems with AI and Machine Learning implementations. Sangita has experience across product management, enterprise sales and marketing in the global arena and P&L management. Throughout her career, she has helped build high-performance teams and inspired them with an overarching purpose and sense of entrepreneurial spirit.	**Indian Companies:** Nil **Foreign Companies:** Nil

Sr. No.	Name, Designation, Date of Birth, Age, Address, DIN, Occupation, Date of appointment, Nationality and Tenure	Brief Profile, Experience & Educational Qualification	Other Directorships
		She is a Partner at Social Venture Partners, a philanthropic network that invests in collaborative solutions – building powerful relationships to tackle communities' social challenges. She was also a board member at Infosys BPO. Sangita has been named by Business Today as one of the 30 most powerful women in business for the years 2014 and 2015. Sangita was also recognized by World Economic Forum (WEF) as Young Global Leader in 2010 and 50 on Fast Track by India Today in 2010. Sangita is Bachelor of Engineering in EE from the NIT, Durgapur, India.	
7.	Ravindra Babu Garikipati **Designation**: Independent Director **Date of birth**: July 1, 1965 **Age**: 57 years **Address**: 88-B, Sunny Brooks, Sarjapura Main Road, Near Wipro Corp Office, Doddakannalli, Carmelaram, Bangalore-560035, Karnataka **DIN**: 00984163 **Occupation**: Business/Professional **Date of appointment**: May 24, 2023 **Nationality**: Indian **Tenure**: 5 years from the date of appointment, not liable to retire by rotation	Ravi Garikipati is a seasoned entrepreneur with over 30 years of experience in technology and business leadership roles spanning e-commerce, deep tech, fintech and consumer tech businesses. He is also an active angel investor, board member and advisor. Ravi is Independent Director at Axis Asset Management, guiding the team in building a digital transformation agenda for the business. As an Independent Director at 5Paisa Capital, he is guiding the leadership team in building a highly personalized and scalable Trading and Discount Brokerage Platform for retail investors. As Advisor to ICICI Lombard General Insurance, he is helping in their digital transformation across several areas including customer engagement, CRM, technology infrastructure scale-up and user experience. He co-founded Davinta, a tech driven NBFC where his focus was on digital financial inclusion at the bottom of the pyramid, specializing in the financial services industry, providing breakthrough FinServ and FinTech solutions. Earlier, as Chief Technology Officer at Flipkart, he defined and executed shared technology & services vision and roadmap with focus on cloud infrastructure, platform engineering and overall application architecture for the company. He was President & CTO at 247.ai Innovation Labs, leading global product and technology groups to build one of the largest omni-channel customer acquisition & engagement platforms driven by predictive modelling hosted in the cloud. Ravi held various senior engineering management positions at Oracle and Covansys. He has patents in omni-channel predictive experience. Ravi holds a Master of Science degree in Software Engineering and a Masters in Management from Birla Institute of Technology & Science, Pilani, India.	**Indian Companies:** • NIIT Limited • Axis Asset Management Company Limited • 5paisa Capital Limited • Davinta Finserv Private Limited (Under Liquidation) • RPS Consulting Private Limited • Yamzen Consulting LLP **Foreign Companies:** Nil

Sr. No.	Name, Designation, Date of Birth, Age, Address, DIN, Occupation, Date of appointment, Nationality and Tenure	Brief Profile, Experience & Educational Qualification	Other Directorships
8.	Parthasarathy Vankipuram Srinivasa **Designation**: Independent Director **Date of birth**: November 1, 1962 **Age**: 60 years **Address**: 3404, India Bulls Sky, Senapati Bapat Marg, Elphistone Road, Elphistone (West), Mumbai – 400013 **DIN**: 00125299 **Occupation**: Professional **Date of appointment**: June 16, 2023 **Nationality**: Indian **Tenure**: 5 years from the date of appointment, not liable to retire by rotation	Dr. V S Parthasarathy has over 35 years of rich experience wherein he has successfully led businesses, functions, organization transformations and over 125 M&A transactions. He is on the board of several listed and unlisted companies. He is an Independent Director of Life Insurance Corporation (LIC) and Cloudnine Hospitals to mention a couple. He started his career with Modi Xerox and rose to the position of Associate Director, serving across multiple positions and locations. In Mahindra Group, where he served more than two decades, his last role was as the President of Mobility Services Sector. Prior to that, he was the Group CFO & Group CIO for seven years. Additionally, he has served as a member of the Mahindra Group Executive Board and been on the board of several listed companies. He carries out a number of philanthropic activities for women's empowerment through education, employment and entrepreneurship initiatives of SEWA (Self Employed Women's Association) and is an Independent Director on two of its companies. He has received Lifetime Achievement Awards for his CFO and CIO roles, as also the Business World - Yes Bank Hall of Fame Award; Best CFO of India Award by IMA Corporate Excellence Awards; Digital Icon of India Award by HPE; and CIO 100 – Hall of Fame by CIO after winning the awards for four consecutive years. He is a Chartered Accountant from ICAI, India and ICAEW, UK and an alumnus of Harvard Business School's AMP (2011). He recently completed his PhD from Mumbai university.	**Indian Companies:** • Allcargo Logistics Limited • Life Insurance Corporation of India • Rudi Multi Trading Company Limited • Kids Clinic India Limited • Imperial Auto Industries Limited • IAI Industries Limited • Girnar Software Private Limited • Greencell Mobility Private Limited • Grassroot Trading Network for Women • National Institute of Industrial Engineering **Foreign Companies:** • Ecuhold N V

Relationship between our Directors or between directors and key management personnel

As on the date of this Information Memorandum, none of the directors and key management personnel of the Company are related to each other except (a) Vijay Kumar Thadani who is the father of Leher Vijay Thadani - Directors of the Company, and (b) Sapnesh Kumar Lalla who is brother of Sailesh Kumar Lalla, a key management person & director of the subsidiary company.

Details of directorship in companies suspended or delisted

None of our Directors is or was a director of any listed company, whose shares are or were suspended from being traded on any of the stock exchanges during the last five years prior to the date of this Information Memorandum, during the term of her/his directorship in such company.

None of our Directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange, during the term of her/his directorship in such company.

Arrangement or understanding with major Shareholders, customers, suppliers or others pursuant to which the directors was selected as a director or member of senior management

None of our Directors or member of senior management have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers, or others.

Service contracts with Directors

There are no service contracts entered into between any of our Directors and our Company for provision of any benefits upon termination of directorship.

Borrowing Powers of our Board of Directors

In accordance with our Articles of Association and subject to the provisions of the Act, the Board may, from time to time, at its discretion, by a resolution passed at a meeting of the Board, borrow any sum of money for the purpose of our Company and the Board may secure repayment of such money in such manner and upon such terms and conditions in all respects as it thinks fit.

Details of remuneration for our Directors

The Board is comprised of eight (8) directors consisting of executive, non-executive and Independent Directors.

S. No.	Name	Remuneration
1.	Rajendra Singh Pawar Non-Executive Chairman	Rs. 5 million per annum plus some perquisite/benefits w.e.f. May 24, 2023
2.	Vijay Kumar Thadani Vice Chairman & Managing Director	Basic salary Rs. 550,000/- p.m. (in the scale of Rs. 550,000/- to Rs. 1,100,000/-), perquisite/benefits and performance bonus, w.e.f. May 24, 2023
3.	Sapnesh Kumar Lalla Executive Director & Chief Executive Officer	Basic salary Rs. 438,750/- p.m (in the scale of Rs. 400,000/- to 800,000/-), perquisite/benefits and performance bonus, w.e.f. May 24, 2023 {Upto Rs. 30 million}
4.	Leher Vijay Thadani Non-Executive Director	Nil
5.	Ravinder Singh Non-Executive Independent Director	Nil
6.	Sangita Singh Non-Executive Independent Director	Nil
7.	Ravindra Babu Garikipati Non-Executive Independent Director	Nil
8.	Parthasarathy Vankipuram Srinivasa Non-Executive Independent Director	Nil

Note: The remuneration to be paid from the date of appointment i.e., May 24, 2023 and is subject to approval of shareholders of the Company. In addition to remuneration, perquisite and performance bonus, Vijay Kumar Thadani & Sapnesh Kumar Lalla would be entitled to other benefit/increments as per policy of the Company. Sapnesh Kumar Lalla shall be entitled to Stock Options, if any to be granted by the Company and perquisite value shall not be considered in this limit. The non-executive directors (including independent directors) of the Company may be paid sitting fees for attending meetings of the Board of Directors and committee(s) of the Board etc. as prescribed under the Act. Further, they may be paid commission upto 1% per annum of net profits of the Company or such other amount as per applicable provisions of the Act and Listing Regulations, subject to applicable approvals.

Bonus or profit-sharing plan for our directors

None of our Directors are party to any bonus or profit-sharing plan of our Company.

Payment or benefit to Directors of our Company

No amount or benefit has been paid or given since the date of incorporation of the Company or is intended to be paid or given to any of our directors except the normal remuneration for services rendered in the capacity of being a director.

Shareholding of our Directors in our Company

Our articles do not require our directors to hold any qualification shares.

Except as disclosed in the section titled "*Capital Structure*" on Page 25, none of our Directors hold any Equity Shares in our Company.

Interest of Directors

- **Nature and extent of interest, if any, of every director in the Company**

  All of our Directors may be deemed to be interested to the extent of their shareholding, remuneration / fees, if any, payable to them, for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration paid in their professional capacity and / or reimbursement of expenses, if any, payable to them and to the extent of related party transactions.

  Our Directors may also be interested to the extent of any dividend payable to them and other distributions in respect of such shareholding. Our Directors may also be interested to the extent of shareholding of the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives. For more details, see "Details of Shareholding of our Promoters, members of the Promoter Group" and "Shareholding of Key Managerial Personnel" of our Company as on date the Information Memorandum " on Pages 13 and 75, respectively.

  Our Directors may also be deemed to be interested in the contracts, agreements / arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity.

  Except as stated above our Directors do not have any other interest in our business.

- **Interest of Directors in the properties of our Company**

  Our Directors have no interest in any property acquired by our Company or in any transactions relating to acquisition of land, construction of building and supply of machinery as on the date of this Information Memorandum.

- **Other Confirmations**

  No loans have been availed by our Directors or the Key Management Personnel from our Company, except as per policy of the Company.

Changes in our Board in the last three years

Name	Designation	Date of appointment/ cessation	Reason
Anand Sudarshan	Independent Director	Cessation w.e.f. March 13, 2021	Completion of tenure
Amit Roy	Non-Executive Director	Cessation w.e.f. March 31, 2021	Resignation due to pre-occupation with other professional engagements
Lata Vaidyanathan	Independent Director	Cessation w.e.f. May 08, 2021	Completion of tenure
Mita Brahma	Non-Executive Director	Appointed w.e.f. August 05, 2021	Appointment
		Cessation w.e.f. May 24, 2023	Resignation due to pre-occupation with other professional engagements
Parappil Rajendran	Non-Executive Chairman	Cessation w.e.f. May 24, 2023	Resignation due to pre-occupation with other professional engagements

*Note: Refer details of the Board of Directors as on the date of this Information Memorandum, under para "**Board of Directors**" on page no. 57.*

Corporate Governance

The provisions relating to corporate governance prescribed under the SEBI Listing Regulations will be applicable to us immediately upon listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the rules framed thereunder, in respect of corporate governance including constitution of the Board and committees thereof.

The Board functions either as a full board or through various committees constituted to oversee specific operational areas. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the Listing Regulations and the Act.

Committees of the Board

In terms of the Listing Regulations and the provisions of the Companies Act, our Company has constituted the following Board-level committees. In addition to the committees of our Board detailed below, our Board may, from time to time, constitute committees for various functions.

A. Audit Committee

The Audit Committee was constituted by our Board in its meeting held on May 24, 2023, in accordance with the requirements of Section 177 of the Companies Act and Regulation 18 of Listing Regulations. The Audit Committee presently comprises:

Name of the Director	Position on the Committee	Designation
Ravinder Singh	Chairperson	Independent Director
Vijay Kumar Thadani	Member	Vice-Chairman & Managing Director
Ravindra Babu Garikipati	Member	Independent Director
Sangita Singh	Member	Independent Director

Our Company Secretary is the Secretary to the Committee. All members of the Audit Committee have requisite accounting and financial management expertise.

Scope and terms of reference:

The terms of reference of the Audit Committee comprises the following:

- Oversight 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.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Review, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause(c) of sub-section (3) of Section 134 of the Act;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made 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;
  - modified opinion(s) in the draft audit report.
- Review, with the management, the quarterly financial statements before submission to the Board for approval.
- Review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Review and monitor the auditors' independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Monitor the end use of funds raised through public offers and related matters.
- Review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

- Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow up there on.
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and report the matter to the Board.
- Discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Look into reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Review the functioning of the whistle blower mechanism.
- Approval of appointment of chief financial officer after assessing the qualifications, experience, and background, etc. of the candidate.
- Review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date or such other limit as may be prescribed.
- Review the management discussion and analysis of financial condition and results of operations.
- Review the statement of significant related party transactions (as defined by the Committee), submitted by management.
- Review the management letters/letters of internal control weaknesses issued by the statutory auditors.
- Review the internal audit reports relating to internal control weaknesses.
- Review the appointment, removal, and terms of remuneration of the chief internal auditor.
- Review the statement of deviations:
  (a) quarterly statement of deviation(s) including the report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations.
  (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations.
- Review the financial statements, in particular, the investments made by the unlisted subsidiaries.
- Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.
- Such other matters as mentioned in the terms of reference or as may be required to be carried out by the Committee pursuant to Companies Act, 2013/SEBI LODR or under any other law, from time to time.

B. Nomination, Remuneration and Compensation Committee

The Nomination and Remuneration Committee was constituted by our Board in its meeting held on May 20, 2023, and reconstituted by our Board in its meeting held on May 24, 2023, in accordance with the requirements of Section 178 of Companies Act, and Regulation 19 of Listing Regulations.

The Nomination and Remuneration Committee presently comprises:

Name of the Director	Position on the Committee	Designation
Ravinder Singh	Chairman	Independent Director
Rajendra Singh Pawar	Member	Non-Executive Chairman
Sangita Singh	Member	Independent Director
Ravindra Babu Garikipati	Member	Independent Director

Our Company Secretary is the Secretary to the Committee.

Scope and terms of reference:

The terms of reference of the Nomination and Remuneration Committee shall include the following:

- Recommend to the Board the setup and composition of the Board and its committees, including the "formulation of the criteria for determining qualifications, positive attributes and independence of a director." The committee will consider periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender, and experience.
- Recommend to the Board the appointment or reappointment of directors.
- Devise a policy on Board diversity.
- Recommend to the Board appointment of Key Managerial Personnel (KMP) and senior management personnel of the Company.
- Carry out an evaluation of every director's performance and support the Board and Independent Directors in the evaluation of the performance of the Board, its committees, and individual directors. This shall include "Formulation of criteria for evaluation of Independent Directors and the Board". Additionally, the Committee may also oversee the performance review process of the KMP and senior management personnel of the Company.
- Recommend to the Board the Remuneration Policy for directors, senior management personnel or KMP.
- On an annual basis, recommend to the Board the remuneration payable to the directors and oversee the remuneration to senior management personnel or KMP of the Company.
- Oversee familiarisation programmes for directors.
- Oversee the Human Resource and People strategy and Human Resource practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for Board, KMP and senior management personnel).
- Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.
- Such other matters as mentioned in the terms of reference or as may be required to be carried out by the Committee pursuant to Companies Act, 2013/SEBI LODR or under any other law, from time to time.

C. Stakeholders Relationship Committee

The Stakeholders' Relationship Committee was constituted by our Board in its meeting held on May 24, 2023, in accordance with the requirements of section 178 of the Companies Act and Regulation 20 of Listing Regulations.

The Stakeholders' Relationship Committee presently comprises:

Name of the Director	Position on the Committee	Designation
Ravindra Babu Garikipati	Chairman	Independent Director
Vijay Kumar Thadani	Member	Vice-Chairman & Managing Director
Ravinder Singh	Member	Independent Director
Leher V Thadani	Member	Non-Executive Director

Our Company Secretary is the Secretary to the Committee.

Scope and terms of reference:

The terms of reference of the Stakeholders' Relationship Committee shall include the following:

- Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend/notice/annual reports, transfer/transmission of shares, issue of new/duplicate certificates, general meetings etc., and related matters.

- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Such other matters as mentioned in the terms of reference or as may be required to be carried out by the Committee pursuant to Companies Act, 2013/SEBI LODR or under any other law, from time to time.

D. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by our Board in its meeting held on May 24, 2023, in accordance with the requirements of section 135 of the Companies Act.

The Corporate Social Responsibility Committee presently comprises:

Name of the Director	Position on the Committee	Designation
Ravinder Singh	Chairman	Independent Director
Rajendra Singh Pawar	Member	Non-Executive Chairman
Vijay Kumar Thadani	Member	Vice-Chairman & Managing Director
Ravindra Babu Garikipati	Member	Independent Director

Our Company Secretary is the Secretary to the Committee.

Scope and terms of reference:

The terms of reference of the Corporate Social Responsibility Committee shall include the following:

- Formulate and recommend to the Board a CSR policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act.
- Identification of the CSR projects and programs and recommending the same to the Board.
- Recommend the amount of expenditure to be incurred on the activities referred to above.
- Monitor the CSR Policy of the Company from time to time.
- Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
- Do such other acts, deeds, things and matters as are necessary or expedient in complying with the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 or under any other law, from time to time.

E. Risk Management Committee

The Risk Management Committee was constituted by our Board in its meeting held on May 24, 2023, in accordance with the requirements of Regulation 21 of Listing Regulations.

The Risk Management Committee presently comprises:

Name of the Director	Position on the Committee	Designation
Ravinder Singh	Chairman	Independent Director
Vijay Kumar Thadani	Member	Vice-Chairman & Managing Director
Sapnesh Kumar Lalla	Member	Executive Director & Chief Executive Officer
Sanjay Mal	Member	Chief Financial Officer
Jaydip Gupta	Member	Internal Auditor

Our Company Secretary is the Secretary to the Committee.

Scope and terms of reference:

The terms of reference of the Risk Management Committee shall include the following:

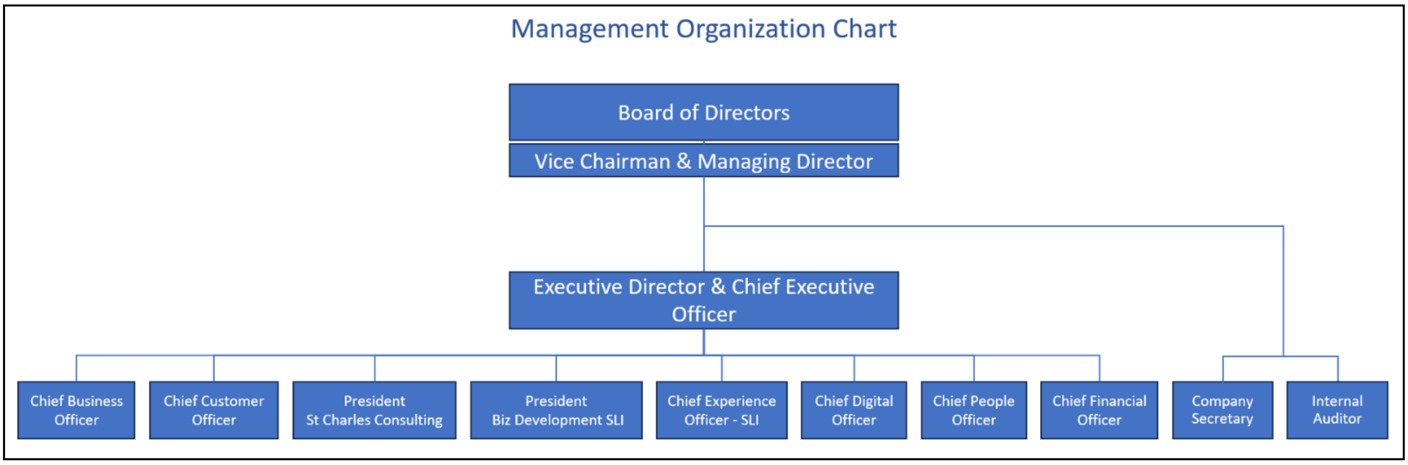
- To formulate a detailed risk management policy which shall include:

(a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
(b) Measures for risk mitigation including systems and processes for internal control of identified risks.
(c) Business continuity plan.

- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- The Committee shall coordinate its activities with other committees, in instances where there is any overlap with the activities of such committees, as per the framework laid down by the board of directors.
- The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
- Such other matters as mentioned in the terms of reference or as may be required to be carried out by the Committee pursuant to SEBI LODR or under any other law, from time to time.

Management Organization Chart

As on the date of this Information Memorandum, our management organization structure is as below:



Key Managerial Personnel

As on the date of this Information Memorandum, all our Key Managerial Personnel are permanent employees of our Company.

Brief profile of the Key Managerial Personnel

For brief profile of Vijay Kumar Thadani, Vice Chairman & Managing Director, refer section titled "**Our Management**" on Page 57.

For brief profile of Sapnesh Kumar Lalla, Executive Director & Chief Executive Officer, refer section titled "**Our Management**" on Page 57.

Further, brief profiles of our management team/key managerial personnel(s) are given hereunder**:**

Sailesh Lalla
Chief Business Officer

Sailesh Lalla is the Chief Business Officer at NIIT's Corporate Learning Group and leads the company's learning outsourcing initiatives across corporate markets in North America and Europe. Sailesh has been a part of NIIT since 1993 and has rich experience of forging and managing the governance of large-scale outsourcing relationships. He has spearheaded NIIT's Managed Training Services offering and has been instrumental in the company's growth as a market leader in learning outsourcing. He brings rich international expertise, having lived, and worked on major training outsourcing relationships in Singapore, Australia, and India.

DJ Chadha
Chief Customer Officer

DJ Chadha is the Chief Customer Officer at NIIT's Corporate Learning Group and heads Learning Delivery Operations and Learning content practice. He is responsible for P&L and execution of all learning outsourcing contracts globally. His key responsibilities include zero defect delivery of all customer commitments profitably, support sales in customer acquisition and employee retention.

DJ joined NIIT in 1992 and has significantly contributed to the growth of the organization in a variety of roles, including Regional Technology Head, Director of Training and Head of Corporate Training. In his role as Regional Technology Head, DJ was responsible for the management of 45 training centres which included the rollout of new curriculum, recruitment, trainer ramp up, and budgets for the entire region. As Director of Training, DJ built NIIT's corporate training business worldwide by orchestrating and managing training delivery for large-scale Managed Training Service partnerships.

Dr. Gregg Collins (Ph.D)
Chief Learning Scientist

Dr. Gregg Collins is the Head of Instructional Design for NIIT's Corporate Learning Group. A Ph.D. in Artificial Intelligence from Yale University, Dr. Collins played a key role in the seminal research carried out at ILS and was one of the authors of Northwestern's graduate program in Instructional Design. He was a co-founder of Cognitive Arts Corporation, which was incorporated in 1995 to commercialize ILS. Dr. Collins became Head of instructional design for Cognitive Arts in 1996, and subsequently for NIIT when it acquired Cognitive Arts in 2002. Learning programs created under Dr. Collins's leadership have won numerous international awards, and Cognitive Arts has consistently been recognized as a pioneer and leader in the effective use of instructional design and technology to support pedagogy.

Rajan Venkatraman
Chief Digital Officer

Rajan Venkataraman is the Chief Digital Officer at NIIT and drives digital strategy and transformation at NIIT.

As Chief Digital Officer, Rajan heads the Learning Science & Technology group at NIIT with a clear charter to build and leverage digital solutions to scale and grow a digitally driven business. Rajan leads the development of innovative platforms that elevate business outcomes and customer experience.

Rajan has had a long and successful tenure at NIIT. He began his journey as a post-graduate student from NIIT Chennai in 1988. Since then, he has been instrumental in achieving the many milestones in NIIT's growth from establishing the technology and platforms for the global business in the US in 1996 to the design and implementation of NIIT's innovative Computerdrome facility that provided 24x7 computer labs at major cities in India as Chief Technology Officer.

He has spearheaded many cutting-edge technology initiatives including an award-winning sales enablement platform, a customer experience platform and more recently AI-driven solutions that have all ushered in an EdTech revolution at NIIT. He also led major digital transformation initiatives that enabled customers and NIITians to rapidly pivot to a remote work environment during the pandemic. NIIT has been awarded multiple Information Security and Global Compliance certifications under his leadership.

Rajan has been recognized with multiple awards including the Global Leadership Award for his significant contributions globally.

Rajan is a Formula 1 fan and a cooking enthusiast.

Babita Karki
Chief People Officer

Babita Karki is Chief People Officer at NIIT MTS with over three decades of rich and varied experience spanning various management and leadership roles in NIIT Limited and Coforge (formerly known as NIIT Technologies).

Her portfolio of expertise includes strategic HR, DE&I, organizational culture, employee experience, executive hiring, program management, learning solutions, project management, and quality assurance.
Babita started her career in 1991 with NIIT's Career Education Business, and then moved on to the Corporate Learning Group (CLG), where she contributed to diverse roles like Project Manager, Delivery Head, and Process Group Head. She spearheaded NIIT's process capability enhancement journey and quality certifications including the first SEI CMM Level 5 global certification for a content development facility.

Babita holds a Master's degree in Mathematics & Computer Science and has spearheaded many initiatives including the Top 100 Performance Ethic of the organization, Program Manager of the Chairman's Quality Club, Global Culture Change, Strategic Employer Branding initiatives including Great Place to Work accolades across Coforge and NIIT Limited.

Larry Durham
President - STCG

Larry is a visionary with 25+ years of experience in enterprise learning and talent development. As President at St. Charles Consulting Group, he manages key client relationships and develops thought leadership on organizational learning. Previously, Larry was the Learning Practice Leader at PwC, where he developed their enterprise learning point of view, created tailored solutions, and published thought leadership pieces. He also co-founded Acadient, a successful eLearning startup for the financial services industry. Larry's expertise spans various industries, and he actively shares insights through articles and keynote speeches. He holds a Bachelor's degree in business administration from Baylor University.

Thomas Kupetis
Executive Vice President - STCG

Tom is an experienced management consultant with over 20 years of expertise serving Fortune 500 companies. He is dedicated to delivering meaningful and measurable value to his clients. As the Executive Vice President at St. Charles Consulting group, Tom focuses on acquiring new clients and driving the firm's growth through a client-centric strategy. He collaborates with clients to design learning solutions that address their business objectives, such as strategic transformation, risk reduction, revenue growth, and cost reduction. Tom's extensive experience also contributes to the firm's go-to-market strategy and market positioning.

Gabrielle Wallace
Executive Vice President - STCG

Gabrielle is a highly skilled professional with 24 years of experience in client relationship management, team leadership, learning, and project management. She excels in delivering strategic learning and development solutions to clients, focusing on solving their business needs. With expertise in instructional design and project management, Gabrielle has successfully led initiatives such as learning needs analysis for a global professional services firm and creative learning experiences for senior leaders. She has a diverse industry background, including energy, manufacturing, pharmaceuticals, professional services, retail, and telecommunications. Previously, she served as the Director of Education at Arthur Andersen, overseeing training and development for 30,000 audit professionals worldwide. Gabrielle holds a Master's Degree in Communication and has global professional experience.

James Homer
President – Partnerships, Business Development and Strategy, StackRoute Learning

James Homer leads the StackRoute Learning partnership and business development, and strategy development operations. James is a seasoned executive with over 25 years of experience in human capital learning and development. He brings a wealth of expertise with particular strengths in areas such as producing innovative digital learning product - service models that drive learner performance, sales-marketing, mergers and acquisitions (M&A), strategy development, scaled organization management, and change leadership. James has acquired an abundance of general management experience at Verizon, Cengage Learning, Pearson, and Ascend Learning with experience in multiple market segments including education, government, and professional/corporate in North America, Europe, Asia, and the Middle East.

In addition to his executive career, James has served on several advisory boards, has had Board assignments, and is an early-stage investor in education technology companies.

Matthew Celano
VP marketing – StackRoute Learning

Matt Celano is the Chief Experience Officer for NIIT's StackRoute Learning Group. Matt has almost 25 years of experience leading teams with a track record for developing, implementing, and managing complex web products & platforms, interactive marketing, and student recruitment. In his previous assignment for Pearson, Matt spearheaded a full-service, performance-based marketing and enrollment team that helped its university partners generate more than 25,000 new enrolments a year.

Sanjay Mal
Chief Financial Officer

Sanjay is a finance professional with over three decades of rich experience across finance and management functions. He has been associated with NIIT Group for over two decades and has been responsible for providing strategic direction to the Finance function.

Sanjay's core expertise lies in Corporate Finance, Treasury, Investor Relations, Large Deals structuring, M&A and New Ventures' development, corporate restructuring, Financial Management, Risk Management and Corporate Governance. He has diverse exposure and strong relationships with multiple professional entities, Industry and Govt. bodies and forums, including Banking & Finance fraternity, legal, accounting & tax advisory firms, regulatory bodies.

Prior to demerger of CLG business from NIIT Limited, which has been spearheaded by Sanjay, he was the CFO of NIIT Limited since June 2020.

In the years 2018 and 2019, Sanjay held the full-time role of CFO and the member of Executive Council, in NIIT Technologies Limited (NTL). He made significant contributions to the business growth of NTL and played a key role in divestment of the Company, working along with the leadership at NTL and the PE firm.

As part of the senior management team of NIIT Group, Sanjay has managed and contributed positively to the business growth globally, by enabling finances, leveraging credible financial relations & branding, and managing risks through innovative financial structures and solutions. He has handled cross border and India based divestments, corporate and business restructurings as well as large global business deals and M&As successfully, involving deal structuring, finance, commercial, legal, tax, risk management and regulatory aspects.

Sanjay was awarded the membership of "Pathfinder's Squadron" and was selected into the coveted "Chairman's Quality Club" – the highest honor at NIIT to recognize NIITians who are acknowledged as the key drivers of quality, speed, and innovation in chosen areas within the organization, contributing significantly to growth and image of NIIT.

Sanjay graduated in Commerce from Delhi University and is an alumnus of The Wharton School (Advanced Management Program), University of Pennsylvania, USA.

Deepak Bansal
Company Secretary & Compliance Officer

He has experience of over 26 years in the function of Corporate Secretarial of Indian and overseas entities, corporate laws, Listing regulations, Compliance management, Corporate Governance, Board procedures, Board/Committee/Shareholder's meeting, Mergers & Acquisitions, Due Diligence, International Transactions (Private Equity/ODI-FDI/Debt/Overseas Listing), Joint Ventures, Corporate Re-structuring (merger/de-merger), Buybacks etc.

Deepak Bansal is associated with the NIIT Group since July 2016. Earlier, he has been associated with Avantha Group for about nine years, and JBM Group for about ten years.

Deepak Bansal is a member of The Institute of Company Secretaries of India (ICSI) and Graduate in Commerce.

All our Key Managerial Personnel are whole time employees of our Company.

Vijay K Thadani is also Vice Chairman & Managing Director of NIIT Limited.

Arrangement or understanding with major shareholders, customers, suppliers or others
None of our Key Managerial Personnel have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers, or others.

Shareholding of Key Management Personnel
For details of shareholding of management team/key managerial personnel(s), as of the date of this Information Memorandum:

- For details of equity shares held by our Directors (who are also KMP), see para "Equity Shares held by our Directors" under section titled "Capital Structure" on page 25; and

- Details of equity shares held by other Key Management Personnel (other than Directors) are given hereunder:

Sr. No.	Name and Designation	No. of Equity Shares held	% of equity shareholding
1.	Sailesh Lalla, Chief Business Officer	3,86,236	0.29
2.	Dr. Gregg Collins (Ph.D), Chief Learning Scientist	68,624	0.05
3.	Sanjay Mal, Chief Financial Officer	59,000	0.04
4.	Deepak Bansal, Company Secretary	4,000	0.00
5.	Rajan Venkatraman, Chief Digital Officer	1	0.00

Note: The above does not include ESOP options grant by the Company, pursuant to the Scheme (and yet to be exercised).

Changes in our Key Managerial Personnel in the last three years

Name	Designation	Date of Change	Change
Shashi Kumar Ranjan	Company Secretary	April 17, 2020	Appointment
		October 27, 2020	Resignation
Umesh Kumar Gola	Chief Financial Officer	September 30, 2021	Resignation
Leena Khokha	Manager	December 31, 2021	Re-appointment
		April 30, 2023	Resignation
Sanjay Kumar Jain	Chief Financial Officer	March 01, 2022	Appointment
		May 24, 2023	Resignation
Siddharth Nath	Company Secretary	April 01, 2021	Appointment
		May 24, 2023	Resignation
Sanjay Mal	Chief Financial Officer	May 24, 2023	Appointment
Deepak Bansal	Company Secretary	May 24, 2023	Appointment
Vijay K Thadani	Vice Chairman & Managing Director	May 24, 2023	Appointment
Sapnesh K Lalla	Executive Director & Chief Executive Officer	May 24, 2023	Appointment

Service contracts with Key Managerial Personnel

Except for statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company, including Key Managerial Personnel, is entitled to any benefit upon termination of such officer's employment or superannuation.

As of the date of this Information Memorandum, there is no contingent or deferred compensation payable to Key Managerial Personnel, which does not form part of their remuneration.

Interest of Key Managerial Personnel

None of our Key Managerial Personnel have any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business or loans, if any, availed from our Company or Equity Shares held by them in our Company, if any. The Key Managerial Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them in our Company.

Bonus or profit-sharing plan for our Key Management Personnel

None of our Key Management Personnel are party to any bonus or profit-sharing plan of our Company.

Payment or benefit to Key Management Personnel of our Company

No amount or benefit has been paid or given since incorporation of the Company or is intended to be paid or given to any of our Key Management Personnel except the normal remuneration for services rendered in the capacity of being an employee.

Employees

Upon the demerger of the CLG Business Undertaking from NIIT to the Company becoming effective, in terms of the Scheme, all employees of the CLG Business Undertaking were deemed to become employees of the Company, without any interruption of service and on the basis of continuity of service and on the same terms and conditions as those applicable to them with reference to the Company, on the Effective Date. The services of such employees with the Company up to the Effective Date were taken into account for the purposes of all benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, severance pay, gratuity and other terminal benefits. In these circumstances, the rights of such employees of the Company would in no way be affected by the Scheme.

Pursuant to the Scheme, the Company shall adopt the Existing Employee Stock Option Scheme of the Transferor Company as amended in accordance with Clause 4.5.5 of the Scheme.

OUR PROMOTERS AND PROMOTER GROUP

The details of Promoters of our Company as on filling of this Information Memorandum are mentioned below:

Details of our Promoters

Individual Promoters

Photograph	Profile	Directorship held in Companies
	Rajendra S Pawar, 72 years, is one of the Promoters of our Company. **Date of birth:** March 6, 1951 **Address**: N-3, Panchshila Park, New Delhi-110 017 **Permanent Account Number**: AAMPP8907F **Educational Qualification**: Bachelor of Technology (Electrical Engineering), Indian Institute of Technology, Delhi **Past Experience**: refer details under "Board of Directors" at Page 57	• NIIT Learning Systems Limited • NIIT Limited • Pace Industries Private Limited • IT Infrastructure Development Corporation Private Limited • NIIT Education Services • Indian School of Business
	Vijay K Thadani, 72 years, is one of the Promoters of our Company. **Date of birth:** February 15, 1951 **Address**: 1012B, The Magnolias, DLF Golf Links, Near Park, DLF City-5, Gurugram-122009, Haryana **Permanent Account Number**: AAEPT0339F **Educational Qualification**: Bachelor of Technology (Electrical Engineering), Indian Institute of Technology, Delhi **Past Experience**: refer details under "Board of Directors" at Page 57	• NIIT Learning Systems Limited • NIIT Limited • NIIT Institute of Finance Banking and Insurance Training Limited • RPS Consulting Private Limited • Triveni Turbine Limited • Global Solutions Private Limited • NIIT Institute of Process Excellence Limited (Under voluntary liquidation w.e.f. February 19, 2020) • NIIT (USA), Inc. USA • NIIT Learning Solutions (Canada) Limited • NIIT Limited, U.K. • NIIT (Ireland) Limited • Eagle Training, Spain S.L.U • Stackroute Learning Inc., USA • St. Charles Consulting Group LLC, USA • NIIT Mexico, S. DE R.L. DE C.V., Mexico • NIIT Brazil LTDA, Brazil

Brief profile of Promoters
Brief profile of Rajendra S Pawar and Vijay K Thadani is given under section *Board of Directors"* on Page 57.

Changes in our Promoters
Pursuant to the Scheme, promoters of our Company have been changed to Rajendra Singh Pawar and Vijay Kumar Thadani from NIIT Limited.

Interest of our Promoters

Interest of our Promoters in the promotion of our Company
Our Promoters are interested in our Company to the extent of their respective direct or indirect shareholding in our Company and the dividend declared, if any and any other distributions in respect of their direct or indirect shareholding in our Company. They may also be deemed to be interested to the extent of their remuneration and compensation, if any. For further details, see "*Capital Structure"* on page 25.

Interest of our Promoter in the Property of our Company
Our Promoters do not have any interest whether direct or indirect in any property acquired by our Company, within three years preceding the date of this Information Memorandum or proposed to be acquired by our Company as on the date of this Information Memorandum or in any transaction for acquisition of land, construction of buildings and supply of machinery, etc.

Interest of our Promoters in our Company other than as Promoter
Further, except as stated in this section and "*Financial Statements*" on page 84, our Promoters do not have any interest in our Company other than as promoters.

Interest of our Promoters in our Company arising out of being a member of firm or company
Our Company has not made any payments in cash or shares or otherwise to any of our Promoters or to firms or companies in which any of our Promoters are interested as members or promoters nor has any Promoter been offered any inducements to become interested in any firm or company, in connection with the promotion or formation of our Company.

Common Pursuits of our Promoters with our Company
None of the business activities of our Promoters are similar to that of our Company.

Payment or benefit to Promoters of our Company
Except as disclosed herein and as stated in the section titled "Financial Statements" on page 84, there has been no amounts paid or benefits granted by our Company to our Promoters or any of the members of the Promoter Group in the preceding two years nor is there any intention to pay any amount or provide any benefit to our Promoters or Promoter Group other than in the ordinary course of business, as on the date of this Information Memorandum.

Disassociation by our Promoters in the last three years
Except as stated below, our Promoters have not disassociated themselves from any Indian companies or firms or firm during the three years preceding the date of filing of this Information Memorandum:

S. No.	Name of Promoter	Name of entity	Date of disassociation	Reason / circumstances and terms of disassociation
1.	Rajendra S Pawar	Nil	Nil	Nil
2.	Vijay K Thadani	NIIT Yuva Jyoti Limited	25.02.2022	Cessation of directorship upon Voluntary Liquidation of the Company

Confirmations
No material guarantees have been given to third parties by our Promoters with respect to Equity Shares of our Company.

None of our Promoters have been identified as a 'willful defaulter' by the RBI, any government/regulatory authority and/or by any bank or financial institution.

None of our Promoters are debarred from accessing the capital markets by SEBI.

None of our Promoters is a promoter or director of any Company which is debarred from accessing the capital market by SEBI.

PROMOTER GROUP
In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

<table>
<tr><th>S. No.</th><th>Definition</th><th>Promoter Group</th></tr>
<tr><td>i)</td><td>Promoter</td><td>Rajendra Singh Pawar
Vijay Kumar Thadani</td></tr>
<tr><td>ii)</td><td>an immediate relative of the promoter (i.e., any spouse of that person, or any parent, brother, sister or child of the person or of the spouse</td><td><u>Relatives of Rajendra Singh Pawar:</u>
<table>
<tr><td>Spouse</td><td>Neeti Pawar</td></tr>
<tr><td>Father</td><td>Deceased</td></tr>
<tr><td>Mother</td><td>Deceased</td></tr>
<tr><td>Brother</td><td>NA</td></tr>
<tr><td>Sister</td><td>Kiran Jamwal
Renu Kanwar
Usha Pathania
Santosh Dogra</td></tr>
<tr><td>Son</td><td>Udai Singh Pawar</td></tr>
<tr><td>Daughter</td><td>Urvashi Pawar
Unnati Pawar</td></tr>
<tr><td>Spouse’s Father</td><td>Deceased</td></tr>
<tr><td>Spouse’s Mother</td><td>Janki Jamwal</td></tr>
<tr><td>Spouse’s Brother</td><td>Pramod Singh Jamwal</td></tr>
<tr><td>Spouse’s Sister</td><td>Keerti Katoch</td></tr>
</table>
<u>Relatives of Vijay Kumar Thadani:</u>
<table>
<tr><td>Spouse</td><td>Renuka Vijay Thadani</td></tr>
<tr><td>Father</td><td>Late H. B. Thadani</td></tr>
<tr><td>Mother</td><td>Deceased</td></tr>
<tr><td>Brother</td><td>Deceased</td></tr>
<tr><td>Sister</td><td>Deceased</td></tr>
<tr><td>Son</td><td>NA</td></tr>
<tr><td>Daughter</td><td>Kiran Vijay Thadani
Leher Vijay Thadani
Nihar Vijay Thadani</td></tr>
<tr><td>Spouse’s Father</td><td>Deceased</td></tr>
<tr><td>Spouse’s Mother</td><td>Deceased</td></tr>
<tr><td>Spouse’s Brother</td><td>Deceased</td></tr>
<tr><td>Spouse’s Sister</td><td>Nil</td></tr>
</table></td></tr>
<tr><td>iii)</td><td colspan="2">in case promoter is a body corporate:</td></tr>
<tr><td>A)</td><td>a subsidiary or holding company of such body corporate</td><td>Not Applicable</td></tr>
<tr><td>B)</td><td>any body corporate in which the promoter holds twenty per cent. or more of the equity share capital; and/or any body corporate which holds twenty per cent. or more of the equity share capital of the promoter</td><td>Not Applicable</td></tr>
<tr><td>iv)</td><td colspan="2">in case the promoter is an individual</td></tr>
<tr><td>(A)</td><td>any body corporate in which twenty per cent. or more of the equity share capital is held by the promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the promoter or any one or more of their relative is a member</td><td>• Pace Industries Private Limited
• IT Infrastructure Development Corporation Private Limited
• Naya Bazar Novelties Private Limited
• NIIT Education Services
• NIIT Network Services Limited
• Pawar Family Trust
• USP Family Trust
• URP Family Trust
• UNP Family Trust
• RSP Family Trust
• NP Family Trust
• Global Solutions Private Limited
• Thadani Family Trust
• KVT Family Trust
• LVT Family Trust
• NVT Family Trust
• VKT Family Trust
• RVT Family Trust
• The Thadani Trust</td></tr>
<tr><td>(B)</td><td>any body corporate in which a body corporate as provided in (A) above holds twenty per cent. or more, of the equity share capital; and</td><td>IT Infrastructure Development Corporation Private Limited</td></tr>
<tr><td>(C)</td><td>any Hindu Undivided Family or firm in which the aggregate share of the promoter and their relatives is equal to or more than twenty per cent. of the total capital;</td><td>Pawar & Family HUF
Thadani & Family HUF</td></tr>
<tr><td>v)</td><td>all persons whose shareholding is aggregated under the heading “shareholding of the promoter group”</td><td>• Rajendra Singh Pawar and Neeti Pawar
• Neeti Pawar and Rajendra Singh Pawar
• Urvashi Pawar</td></tr>
</table>

S. No.	Definition	Promoter Group
		• Unnati Pawar • Udai Pawar • R S Pawar HUF (for Pawar & Family HUF) • Pawar Family Trust • Renu Kanwar and Vandana Katoch • Santosh Dogra • Janki Jamwal and Neeti Pawar • Janki Jamwal and Pramod Singh Jamwal • Janki Jamwal and Keerti Katoch • Pace Industries Private Limited (Nil holding) • Vijay Kumar Thadani and Renuka Vijay Thadani • Renuka Vijay Thadani and Vijay Kumar Thadani • V K Thadani HUF(for Thadani & Family HUF) • Thadani Family Trust • Global Solutions Private Limited (Nil holding) • Rasina Uberoi • Rubika Vinod Chablani • Arvind Thakur • Kailash K Singh and Yogesh Singh

GROUP COMPANIES

In terms of the SEBI (ICDR) Regulations, the term 'group companies', includes (a) such companies (other than promoter(s) and subsidiary(ies)) with which there were related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (b) any other companies considered material by the board of directors of the relevant issuer company.

The Company has entered into transactions with certain Group Companies during the period for which financial information is disclosed in this Information Memorandum.

Further, it may be noted that, while the CLG Business Undertaking was housed in NIIT (prior to the Scheme becoming effective), NIIT undertook various related party transactions in relation to the CLG Business Undertaking with companies which were considered as Group Companies, in terms of the SEBI (ICDR) Regulations. Since the CLG Business Undertaking has now been transferred to the Company pursuant to the Scheme, going forward, the Company will undertake such related party transactions with these companies which will be considered as its Group Companies, including the related party transactions referred in Financial Statements in section titled "*Financial Information*" at Page 84. All such related party transactions with Group Companies will be undertaken by the Company in accordance with the requirements of Applicable Laws.

NIIT Limited having its Registered Office at Plot No. 85, Sector 32, Institutional Area, Gurugram – 122001, Haryana, India is a group company. NIIT Limited includes its subsidiaries and the financial statements are available at the link: Annual Reports.

There is no pending litigation involving the Group Company which has a material impact on the Company.

RELATED PARTY TRANSACTIONS

All related party transactions entered by the Company are made on terms equivalent to those that prevail in arm's length transactions. In terms of the Companies Act read with the rules made thereunder, all such related parties transactions entered by the Company are approved by the Audit Committee and the Board, as applicable, from time to time.

For details of the related party transactions of our Company, as per the requirements under Indian Accounting Standard 24 "*Related Party Disclosures*", see the section titled "*Financial Information*" on page 84 of this Information Memorandum.

As explained in the Scheme and explanatory statement in the notice of meeting convened by NCLT for seeking shareholders' approval, the CLG Business Undertaking (now transferred and vested in NLSL from the Effective Date) and Residual Business of the NIIT would have certain inter-dependencies and, therefore, to ensure continuity of the operations, the NIIT and NLSL propose to undertake various business relationships with each other to provide transition and continual support to give full effect to the Scheme, on an arms' length basis. In relation to the aforementioned, some of the key business relationships proposed between NIIT and NLSL, after Effective Date, pertain to (a) functional support services (including costs allocated inter alia) such as logistics, procurement, finance, human resource, legal, IT services (including SAP and other software licensed from third parties), marketing, etc.; (b) corporate and management services; (c) licensing of certain intellectual properties; and (d) infrastructure leasing and/or licensing.

Both entities had earlier entered into arrangements/agreements in order to facilitate the transactions between the two Companies pursuant to the Scheme. Although the respective Companies have entered into long-term contracts, however, the specific approvals in accordance with applicable laws inter-alia including SEBI Listing Regulations and Circulars will be sought from time to time, as applicable.

Brief particulars of the related party contracts entered / to be entered into by the Company with NIIT Limited are as under:

(a) Brand license for use of Brands (NIIT & Stackroute) by NIIT to NLSL (and its permitted users) which are owned by NIIT Limited.
(b) to lease, sub-lease, license, or sub-license properties with respect of such properties (on need basis) for operations and other office premises by NIIT to NLSL and by NLSL to NIIT and their Permitted Users.
(c) Intellectual Property License by NIIT to NLSL and by NLSL to NIIT and their Permitted Users, which are owned by them respectively.
(d) various functional support services by NIIT to NLSL and by NLSL to NIIT (and their Permitted Users) such as functional support services (including costs allocated inter alia) such as logistics, procurement, finance, human resource, legal, IT services (including SAP and other software licensed from third parties), marketing etc. and corporate and management services.
(e) sale / supply of services by NIIT to NLSL and by NLSL to NIIT (and their Permitted Users).

The above agreements and arrangements are effective on and from Effective Date. On the demerger becoming effective, the shareholding of the Company is a mirror-image of NIIT. These are critical transactions to be undertaken by the Company with such related parties, for the smooth functioning of the CLG Business Undertaking of the Company

For details of related party transactions of our Company, refer Financial Statements in the section titled "*Financial Information*" at page 84.

DIVIDEND POLICY

As on the date of this Information Memorandum, the Company has one class of equity shares having a par value of Rs. 2 per share. Each shareholder is eligible for one vote per share held. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Further, the Company has also formulated a Dividend Distribution Policy, which is reproduced hereunder.

Dividend Policy

The Board shall determine the dividend after taking into consideration the financial performance of the Company, divestment proceeds, applicable statutory provisions, investment opportunities, competitive and macroeconomic environment, industry trends, advice of executive management, and other parameters described in this Policy. Dividend will normally be declared from the Profit After Tax of the current year's operations of the Company. Dividend may also be declared in any particular financial year by utilizing retained earnings.

The following financial and other internal parameters shall be considered by the Board for dividend:

- Current year profits and future outlook
- Excess cash after providing for
    - Capital allocation plans, including
        - Expected cash requirements of the Company towards working capital, and capital expenditure in content, technology and Infrastructure etc.;
        - Investments required towards execution of the Company's strategy;
        - Funds required for any acquisitions; and
        - Any share buy-back plans.
    - Funds required to service any outstanding loans and other liabilities
    - Sufficient cash balance required for maintaining strong balance sheet, after providing for contingencies and unforeseen events
    - Any other developments that may require material cash investments
- Debt to Equity, and other liquidity ratios
- Any contractual and other covenants

Similarly, the following external parameters would be considered:

- Macro-economic environment affecting the geographies in which the Company and its clients operate.
- Significant change in the business or technological environment leading to major investments for business transformation.
- Changes in the competitive environment.
- Changes in the Political, tax and regulatory environment relevant to the Company.

The profits earned shall be used for the business purposes mentioned hereinabove to maximize shareholders' value, create cash reserve and distribution to the shareholders.

The Board shall consider dividend alongwith annual financial Results of the Company. The Board may also consider dividends at any other time, at its discretion, based on excess cash in the Company or at any specific event.

Our Company has not declared any dividend on the Equity Shares since its incorporation.

SECTION VI - FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Details	Annexure Number
Consolidated financial statements for the year ended March 31, 2023#	Annexure A
Standalone financial statements for the year ended March 31, 2023#	Annexure B
Financial statements for the year ended March 31, 2022	Annexure C
Financial statements for the year ended March 31, 2021	Annexure D

Refer Note 37 of the Consolidated Financial Statements and Note 35 of the Standalone Financial Statements on Composite Scheme of Arrangement

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Financial Statements which appear elsewhere in this Information Memorandum. You should also read the section titled "Risk Factors" on page 17, which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to the financial statements of our Company.

Our audited financial statements, which are included in this Information Memorandum under "Financial Information", have been prepared in accordance with Ind AS. Our fiscal year ends on March 31 of each year; therefore, all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

This discussion contains forward-looking statement and reflects our current plans and expectations. Actual results may differ materially from those anticipated in these forward-looking statements. By their nature certain risk disclosures are only estimates and could be materially different from those that have been estimated. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in the sections titled ", "Forward-Looking Statements", "Risk Factors" and "Our Business" on pages 10, 17 and 41 respectively. The Financial figures for financial year ended March 31, 2023, and March 31, 2022 provided in this Chapter are based on audited financial statements as given in the section titled "Financial Information" on page 84 of the Information Memorandum.

Business Overview

NLSL offers Managed Training Services (MTS), which includes outsourcing of Learning & Development (L&D) and Talent Transformation Services to market-leading companies and institutions in North America, Europe, Asia, and Oceania. The comprehensive suite of MTS includes custom curriculum design and content development, learning administration, learning delivery, strategic sourcing, learning technology, and advisory services. L&D Transformation Services include augmented reality/ virtual reality-based learning solutions, curriculum transformation, and portfolio optimization. With a team of some of the world's finest learning professionals, NLSL helps customers run training like a business by improving the efficiency and effectiveness of their L&D and Talent Management functions.

For a detailed discussion on NLSL's business please see section titled "Business Overview" on Page 41.

The Learning Outsourcing market is underpenetrated and offers significant headroom for growth.

The business has over 80 global customers that it services. With a team of over 2,300 world class learning professionals, it has won over 400 industry awards and is ranked among the Top 5 Learning Outsourcing Companies worldwide.

Our investments in new capabilities and in S&M have enabled NIIT MTS to grow revenues in double digit despite material cuts in consumption by existing customers.

In FY23, the increasing noise about the impending slowdown due to aggressive and coordinated monetary tightening by global central banks, war in Europe and sticky inflation distracted decision makers and negatively impacted consumption of training across various industries. Further, we also saw sharp reversal in volume for real careers in North American during the year . Despite the challenges headwinds the business has emerged stronger.

The business achieved revenue of Rs. 13,618 million, up 20% YoY. In constant currency, the business was up 14% as compared to FY22. This includes the impact of acquisition of St Charles Consulting Group (StC) during the year. Excluding StC, the revenue was up 11% YoY. The business achieved EBITDA of Rs. 3,154 million, which was up 6% YoY. The operating margin was 23%, down 310 bps reflecting the impact of normalization of expenses and continuing investments in growth and new capabilities. Profit after tax for the year was Rs, 1,922 million resulting in EPS of Rs 14.3 for the year.

The company continues to see strong customer addition with addition of 12 new logos during the year. New customer addition and strong renewals and expansions resulted in Revenue Visibility of USD 363 million at the end of the year from existing contracts. The company ended the year with 80 MTS customers.

The business operates with high capital efficiency, reflected in ROCE of 49.6% and ROE of 29.2% for the year. As of March 31, 2023, the Company had Cash and Equivalents of Rs. 5,722 million, with net cash of Rs. 4,563 million. Days Sales Outstanding (DSO) stood at 52.

The demerger empowers the business to sharply focus its management team and capital on the significant opportunities emerging in the Learning Outsourcing space and achieve global market leadership.

Significant developments subsequent to March 31, 2023 (last audited financial statements)

1. NCLT, vide its order dated May 19, 2023 (formal order received on May 23, 2023) approved the Composite Scheme of Arrangement between NIIT and our Company and the respective shareholders and creditors, in accordance with sections 230 to 232 and other applicable provisions of the Companies Act, 2013. Pursuant to the Scheme, the CLG Business undertaking of NIIT Limited is transferred to and vested with our Company. The Effective Date of the Scheme was May 24, 2023, with effect from the Appointed Date i.e., April 1, 2022. Accordingly, pursuant to the Scheme, 13,46,14,360 Equity Shares of INR 2 each were allotted on June 12, 2023 to the shareholders of NIIT Limited as on Record Date (June 8, 2023) and the existing/pre-scheme share capital of our Company was also cancelled/extinguished on June 12, 2023.
2. There has been change in the Board of Directors and KMP of the Company. For details, please see section titled “Our Management” on Page 57 of this Information Memorandum.
3. Our Company was granted an exemption from the application of Rule 19(2) (b) of the Securities Contracts (Regulation) Rules, 1957 by the SEBI vide letter no. [●] dated ●].

The Directors of our Company confirm that there have not been any significant developments other than the above, after the date of last audited accounts i.e., March 31, 2023.

Certain factors affecting the results of operations:

Our business and results of operations are affected by a number of factors, including the following:

- Economic uncertainty especially in the industries we serve
- Outsourcing trends
- Potential mergers, acquisitions, or restructurings
- Technological advances
- Competition from existing and new disruptive players
- The effect of changes in our accounting policies
- Our ability to manage our growth effectively
- Outcome of legal or regulatory proceedings to which we, are a party to or might become involved in
- Changes in political and social conditions in India and other geographies we are present in
- Epidemic situation in and outside India
- Our ability to control cost and retained key personnel
- Our ability to compete effectively, particularly in new customer segments
- Changes in political, social and regulatory conditions in India, North America, Europe and other markets where NLSL services its customers
- Other factors discussed in this Information Memorandum, including "*Risk Factors*"

Significant Accounting Policies:

For details of Significant Accounting Policies, please refer to Financial Statements in the section titled "Financial Information" on 84 of this Information Memorandum.

Results of Operations:

Consolidated Statement of Profit and Loss for the Financial Year ended March 31, 2023, is provided in the table below along with the restated Consolidated Statement of Profit and Loss for the year ended March 31, 2022, is provided for comparison. The components are also expressed in absolute terms and as percentage of total revenue for such periods in the table below:

Particulars – Rs. million	For the period ended on 31 March, 2023	As a percentage of total income	For the period ended on 31 March, 2022	As a percentage of total income
Income				
Revenue from operations	13,617.87	98.90%	11,323.24	98.78%
Other income	150.81	1.10%	139.39	1.22%
Total Income	**13,768.68**	**100.00%**	**11,462.63**	**100.00%**
Expenses				
Purchase of stock-in-trade	2.53	0.02%	40.46	0.35%
Changes in inventories of work-in progress & finished goods	4.16	0.03%	11.78	0.10%
Employee benefit expenses	6,942.03	50.42%	5,733.80	50.02%
Professional & technical outsourcing expenses	2,468.95	17.93%	1,702.78	14.86%
Finance costs	128.97	0.94%	10.42	0.09%
Depreciation & amortization expense	471.33	3.42%	422.84	3.69%
Other expenses	1,279.92	9.30%	918.21	8.01%
Total Expenses	**11,297.89**	**82.05%**	**8,840.29**	**77.12%**
Profit before exceptional items	**2,470.79**	**17.95%**	**2,622.34**	**22.88%**
Exceptional items	**(185.92)**	**(1.35%)**	**(0.30)**	**(0.00%)**
Profit before tax	**2,284.87**	**16.59%**	**2,622.04**	**22.87%**
Tax expense	**362.70**	**2.63%**	**601.46**	**5.25%**
Current tax	400.71	2.91%	584.60	5.10%
Deferred tax	(38.01)	(0.28%)	16.86	0.15%
Profit for the period	**1,922.17**	**13.96%**	**2,020.58**	**17.63%**

Note: Consolidated financials for FY22 for NLSL have been restated for like-to-like comparison with FY23 which includes the impact of transfer of the CLG Business Undertaking to NLSL from The Appointed date of April 1, 2022. For further details refer Note 37 of the Financial Statements in the section titled "Financial Information" on 84 of this Information Memorandum.

Discussion on Results of Operations:

Net Revenue

In FY23, the Company recorded revenue of Rs. 13,618 million, up 20% as compared to last year. This includes the impact of consolidation of StC financials w.e.f. November 5, 2022. Organic revenue was up 11% YoY.

Other Income

The Other Income for FY23 was Rs. 151 million compared to Rs. 139 million in FY22. Other Income primarily includes Interest income on Deposits (Rs. 83 million) and gain on investment in Mutual Funds (Rs. 54 million).

Total Expenses

Total expenses for FY23 were Rs. 11,298 million, up 28% YoY. Growth in expenses was higher than growth in revenue due to change in revenue mix of contracts, cost inflation, resumption of certain expenses due to re-opening of offices during the year and investment in growth initiatives.

Employee benefit expenses

Employee benefit expenses for FY23 were Rs. 6,942 million, up 21% YoY. These expenses include Salaries, Wages & Bonus, Staff Welfare, ESOP related expenses and Contribution to Provident Funds & Other Funds.

Professional & technical outsourcing expenses

Professional & technical outsourcing expenses for Rs 2,469 million, up 45% YoY. These expenses include outsourced costs related to hiring of Trainers/Professionals, Venue, Royalty, Courseware, Content.

Finance costs

Finance costs were Rs. 129 million in FY23, as compared to Rs. 10 million in FY22. These expenses include Interest on Loan & Lease Liabilities and Fair Value Loss on contingent consideration. Increase in Finance costs is due to loan taken for acquisition of StC during the year.

Depreciation

For the year, the Depreciation and Amortization was Rs. 471 million compared to Rs. 423 million last year. This includes Rs. 53 million due to amortization of intangibles recognized on consolidation of StC Financials during FY23.

Other expenses

Other expenses were Rs. 1,280 million, as compared to Rs. 918 million in FY22. YoY increase is driven by higher expenses related to Marketing and Travel in addition to loss on Foreign currency translation and transactions during the years. For details refer Note 20 of Financial Statements provided in section titled “Financial Information” on Page 84.

Exceptional Expenses

Exceptional Expenses were Rs. 186 million in FY23. This includes Rs. 150 million related to acquisition of StC and Rs. 36 million related to the Composite Scheme of Arrangement.

Taxes

The Company has provided for an amount of Rs. 363 million towards income tax at consolidated level in FY23 as compared to Rs. 601 million in last year. The effective tax rate for the year was 15.87%. Lower tax in FY23 is on account of set-off available due to carry forward tax losses.

Profit for the year

Our profit after tax was Rs 1,922 million in FY23 and Rs 2,021 million in FY22.

Cash and Cash Equivalents:

Particulars – Rs. million	**For the year ended March 31**	
	2023	**2022**
Net Cash from Operating Activities	1,617	2,766
Net Cash Used in Investing Activities	(2,654)	(665)
Net Cash Used in Financing Activities	1,020	(938)
Net Increase / (Decrease) in Cash and Bank	**(18)**	**1,162**
Adjustment on account of Foreign Exchange Fluctuations	**46**	**49**
Cash and Bank at the beginning of the year	2,531	1,320
Cash and Bank at the end of the year	**2,560**	**2,531**

Note: For detailed Cash flow refer Financial Statements included in the section on “Financial Information” on 84 in this document.

Total Cash & Equivalents – Rs. million	**For the year ended March 31**	
	2023	**2022**
Cash & Bank Balance	2,560	2,531
Investment in Mutual Funds	2,127	144
Investment in term deposits with Financial Institution	699	850
Bank deposits	336	1,643
Cash & Cash Equivalents – Total	**5,722**	**5,169**

Cash and Cash Equivalents:
The Cash and Cash Equivalents as on March 31, 2023, stood at Rs. 5,722 million compared to Rs. 5,169 million as on March 31, 2022. During the year:

- Net Cash from Operations for FY23 was Rs. 1,617 million vs Rs. 2,766 million for FY22. This was lower as compared to last year due to higher utilization in working capital. This was driven by change in revenue mix and normalization of working capital during the year.
- Net Cash from Investing activities for FY23 was Rs. (2,654) million vs Rs. (665) million for FY22. This includes impact of acquisition of StC during the year and higher investments in mutual funds.
- Net Cash from Financing activities in FY23 was Rs. 1,020 million vs Rs. (938) million for FY22. The increase in FY23 is due to loan taken for the acquisition of StC during the year.

Capital and Other Commitments

Capital Expenditure
The Company incurred capital expenditure of Rs. 529 million during FY23. This includes capex towards new initiatives & products of Rs. 212 million, project-related capital expenditure of Rs.132 million, capex toward infrastructure/capacity enhancement of Rs. 147 million and normal capex of Rs. 38 million.

Contingent Liabilities

Following are claims against the Company, disputed by the Company, not acknowledged as debt:

Particulars – Rs. million	As at	
	31 March 2023	31 March 2022
Income Tax	19.42	19.42
VAT	45.98	15.18
Others	6.41	6.11
Total	**71.81**	**40.71**

Financial Indebtedness
The following table sets forth our secured and unsecured debt position (on a consolidated basis) as at March 31, 2023.

Indebtedness	Amount - Rs. million
Short Term	
- Secured Borrowings	NIL
- Unsecured Borrowing	NIL
Long Term	
- Secured Borrowings	916
- Unsecured Borrowing	NIL
Current maturity of long-term borrowings	
- Secured Borrowings	242
- Unsecured Borrowing	NIL
Total Indebtedness (A)	**1,159**

As on March 31, 2023, the Company had long-term borrowing of Rs. 1,159 million and short-term borrowing of Rs. Nil million. The comparable amount for long-term borrowing as of March 31, 2022, was Nil million while the amount of short-term borrowing was Rs. 80 million. This includes the impact of loan taken in FY23 for acquisition of StC.

Off-Balance Sheet Commitments and Arrangements
We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Interest Coverage Ratio

The interest coverage ratio for FY23 and FY22 was 77 and 280, respectively on a consolidated basis.

Particulars – Rs. million	**Fiscal Year ended**	
	March 31, 2023	**March 31, 2022**
Profit before exceptional items	2,471	2,622
Add: Depreciation and Amortization expenses	471	423
Add: Interest expense	37	10
Less: Other income	151	139
Profit before interest expenses, Depreciation & Other Income (A)	**2,828**	**2,916**
Interest expense (B)	37	10
Interest Coverage Ratio (A/B)	77	280

Our Business Segments on Consolidated Basis

NLSL operates as a single segment viz. "Education & Training". The consolidated revenue from operations for the year was Rs. 13,618 million.

Seasonality of our Business

Our company sees some seasonality due to variation in training spends by our customers during the year. In the past, the business has seen peak spending in Quarter 3 i.e., the Oct-Dec quarter which corresponded to end of financial year for many of our large customers.

Related Party Transactions

For details of Related Party Transactions, refer Financial Statements in the section titled "Financial Information" on Page 84 of this Information Memorandum.

Summary of Changes to Significant Accounting Policies

There is no change in the Significant Accounting Policies of the Company.

Reservations, Qualifications and Adverse Remarks Included in Financial Statements

There have been no reservations or qualifications or adverse remarks from our Statutory Auditors in the last five years.

Quantitative and Qualitative Disclosures about Market Risk

Market risk is the risk of loss related to adverse changes in market prices, including interest rates and foreign exchange rates. In the normal course of business, we are exposed to certain market risks including foreign exchange rate risk and interest risk.

Interest rate risk

Interest rate risk results from changes in prevailing market interest rates, which can cause a change in the fair value of fixed-rate instruments and changes in the interest payments of the variable-rate instruments. Our operations are funded to a certain extent by borrowings. Our current loan facilities carry interest at variable rates as well as fixed rates. We mitigate risk by structuring our borrowings to achieve a reasonable, competitive cost of funding. There can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will fulfil their obligations, or that these agreements, if entered into, will protect us adequately against interest rate risks.

Foreign exchange rate risk

Changes in currency exchange rates influence our results of operations. Our services are priced typically priced in local currencies including USD, Euro, GBP, CAD and INR etc. while a larger proportion of expenses are in INR due to off-shoring. Although we selectively enter into hedging transactions to minimize our foreign currency exchange risks, there can be no assurance that such measures will enable us to avoid the effect of any adverse fluctuations in the value of the Indian Rupee against the U.S. Dollar or the Euro or other relevant foreign currencies.

Liquidity risk

We require certain amount of working capital for our operations and the failure to obtain such capital may adversely affect our growth prospects and future profitability. While the Company maintains adequate liquidity, delay in payments by customers can lead to increase in working capital requirements thus adversely impact the operations.

Credit Risk

We are exposed to the risk that our counterparties may not comply with their obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables. Our customer base has creditworthy counterparties which limits the credit risk, however, there can be no assurance that our counterparties may not default on their obligations, which may adversely affect our business and financial condition.

Unusual or infrequent events or transactions

Except as described in this Information Memorandum, there have been no other events or transactions that, to our knowledge, may be described as “unusual” or “infrequent”.

Significant dependence on a few customers and suppliers

The Company has a diversified customer base spanning multiple sectors. As of March 31, 2023, the company had 80 MTS customers. In FY23, top 5 customers contributed 40% to revenue for the year and contribution of top 10 customers was 58%.

Total turnover of each major industry segment

The Company has focused on industry segments where companies typically spend higher amounts per employee on training and where spends are driven by high rate of change in underlying industries (e.g., Technology) or by regulations in industries. The breakup of revenue by industry for FY23 and FY22 is provided below.

Revenue Mix - By Industry	**FY23**	**FY22**
Technology & Telecom	29%	29%
Energy & Commodities	12%	12%
Life Sciences & Healthcare	11%	12%
BFSI	9%	9%
Aviation & Aerospace	8%	5%
Management Consulting & Professional Services	7%	0%
Others	24%	33%
Total	100%	100%

Significant economic changes that materially affected or are likely to affect income from operations

Other than as described in this section and the sections of this Information Memorandum titled “*Our Business*”, “*Risk Factors*” and “*Industry Overview*” on pages 41, 17 and 39, there have been no significant economic changes that materially affected or are likely to affect our Company's income from operations.

Known trends or uncertainties

Other than as described in this Information Memorandum, particularly in the sections “*Risk Factors*” and “*Management Discussion and Analysis of Financial Condition and Results of Operations*” on pages 17 and 85, respectively, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

Future relationship between cost and revenue

Other than as described in “*Risk Factors*”, “*Business*” and “*Management Discussion and Analysis of Financial Condition and Results of Operations*” on pages 17, 41 and 85, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

New products or business segments

Other than as disclosed in this chapter and in "*Our Business*" on page 41, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

Competitive conditions

We operate in a competitive environment. For further details see "*Our Business*", "*Industry Overview*" and "*Risk Factors*" on pages 41, 39 and 17, respectively.

SECTION VII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND OTHER MATERIAL DEVELOPMENTS

In terms of Schedule VI, Part A, para (12), sub-para (A) of the ICDR Regulations, our Company is required to disclose in this Information Memorandum, (i) all criminal proceedings; (ii) all actions by statutory or regulatory authorities; (iii) claims related to direct and indirect taxes; and (iv) all material litigation, in each case involving our Company, our Directors, our Promoters. Additionally, all disciplinary action including penalty imposed by SEBI/Stock Exchanges, against the Promoters in the last five financial years, including outstanding actions, have to be disclosed. Further, litigation involving the Group Companies which may have a material impact on our Company is required to be disclosed.

*Further, pre-litigation notices received, if any, by our Company, the Promoters, a Director, or the Group Companies (the "**Relevant Parties**") from third parties (excluding those notices issued by statutory/regulatory/tax authorities) shall, unless otherwise decided by the Board of Directors, not be considered material until such time that the Relevant Party is impleaded as defendant in litigation proceedings before any judicial forum.*

All terms defined in a particular litigation disclosure below are for that particular litigation only.

Litigations involving our Company

Criminal proceedings against our Company : Nil

Criminal proceedings by our Company : Nil

Civil proceedings against our Company :

SL	Title	Court/Forum	Claim and Amount	Defence	Current Status
1	Delhi Public School Jabalpur Vs. MindChampion Learning Systems Limited.	Consumer Forum, Jabalpur	The complainant is seeking to be compensated of Rs. 12 Lakh odd against alleged deficiency of services by the Company in respect of the Quickschool ERP Solution sold to the School	We have all sign offs and proof of delivery of services to the school right from installation of the ERP, the training on ERP and the support provided from time to time.	For filing of Reply to the Complaint.
2	Sumit Book Store Vs. MindChampion Learning Systems Limited.	Civil Court, Pathankot	The Plaintiff, a book vendor is seeking the mandatory injunction against the Company to take back the unsold books, contrary to contract, and return the security cheques lying with the Company	The contract between the parties clearly states that the books once sold shall not be returned unless they are mutilated. Moreover, the suit has been filed as the counterblast against the Company's claim of Rs. 5 Lakh odd. We are filing application under section 8 of Arbitration & Conciliation Act, 1996 in view of existence of arbitration agreement between the parties.	For filing of Written Statement.
3	Dondaicha Education Society Vs. MindChampion Learning Systems Limited	Civil Court, Dhule, Maharashtra	The Plaintiff society runs a school at Dhule which bought the Quickschool ERP Solution from the Company. They have filed the suit for compensation of Rs. 1.5 Lakh odd on account of alleged deficiency in service.	We have all sign offs and proof of delivery of services to the school right from installation of the ERP, the training on ERP and the support provided from time to time. The company has filed its Counter Claim of Rs. 2,82,000/- against the Plainitiff.	For filing of Replication cum Written Statement by the Plaintiff.

Civil proceedings by our Company :

SL	Title	Court/Forum	Claim and Amount	Current Status
1	MindChampion Learning Systems Limited Vs. Swami Matriculation Higher Sr. School	Saket Court, Delhi	This is the civil suit for recovery of Rs. 449999 filed against the defendant school which had purchased the Match Lab solution from the Company.	The Summons are yet to be issued by the Court.
2	MindChampion Learning Systems Limited Vs. Bhartiya Vidyapeeth	Delhi High Court Arbitration Centre.	The Delhi High Court Arbitration centre has been authorized to appoint the arbitrator pursuant to Section 11 petition under the Arbitration & Conciliation Act, 1996 filed by the Company. The claim amount is Rs. 4,18,108/- against purchase of Interactive Class Room Solution by the School from the Company.	We are waiting for appointment of arbitrator.
3	MindChampion Learning Systems Limited Vs. NRI Academy, Hyderabad	Saket Court, Delhi	This is the civil suit for recovery of Rs. 33,35,864/- filed against the defendant school which had purchased the Interactive Class Room Solution from the Company.	Ex parte evidence
4	MindChampion Learning Systems Limited Vs. Maya Gupta	Gurgaon Civil Court	Proceeding under Section 138 of Negotiable Instrument Act against the book vendor who had issued the cheque in favour of the Company	Evidence
5	MindChampion Learning Systems Limited Vs. P R Trading	Gurgaon Civil Court	Proceeding under Section 138 of Negotiable Instrument Act against the book vendor who had issued the cheque in favour of the Company	Evidence
6	MindChampion Learning Systems Limited Vs. Children Book Agency	Gurgaon Civil Court	Proceeding under Section 138 of Negotiable Instrument Act against the book vendor who had issued the cheque in favour of the Company	Evidence

Actions by regulatory and statutory authorities : Nil

Tax proceedings against our Company : Nil

Tax proceedings by our Company :

(in ₹ millions, to the extent quantifiable)

Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings
Direct Tax (A)		
Income Tax	4	37.13
Indirect Tax (B) as given below		
Value Added Tax/ Central Sales Tax	3	19.24
Service Tax	-	-
Custom	-	-
GST	-	-
Total (A+B)	**7**	**56.37**

Litigations against our Promoter, our Group Companies and our Directors which may have an adverse impact on our Company

Litigations involving our Subsidiary

Criminal proceedings against our Subsidiary: Nil

Criminal proceedings by our Subsidiary : Nil

Civil proceedings against our Subsidiary :

SL	Title	Court/Forum	Claim	Current Status	Amount involved
1	Sandra O Brien vs NIIT (Ireland) Limited	Workplace Relations Commission	Unfair Dismissal	Pending hearings	Estimated E 130 K
2	Andrew James Ferguson vs NIIT (USA), Inc and NIIT learning Solutions (Canada) Limited	Ontario Supreme Court of Justice	Wrongful Dismissal	Response to notice is being filed	CAD 110 K plus damages as determined by the Court

Civil proceedings by our Subsidiary : Nil

Actions by regulatory and statutory authorities against our Subsidiary : *Nil*

Tax proceedings against our Subsidiary : *Nil*

Tax proceedings by our Subsidiary : *Nil*

Litigation involving our Directors

Title	Court/Forum	Case	Status
Mukesh Bansal & Rajendra Singh Pawar Vs. State of Rajasthan	Rajasthan High Court, Jodhpur	An FIR was filed against erstwhile Licensee of NIIT at Jodhpur and Rajendra Singh Pawar (the promoter and director of the Company), being the Director of NIIT, by an ex-student of the then NIIT Jalori Gate Centre, Jodhpur which was run by the said erstwhile Licensee. The Final Report was filed in 2015 by police inter-alia because dispute was founded on civil contract. The same was accepted by learned court of Metropolitan Magistrate (MM) also. However, complainant challenged Final Report before Additional Session Judge which ordered that learned MM should look into the matter afresh. Accordingly, Revision Petition has been filed before the Rajasthan High Court which, while issuing the notice, called for the records of case for adjudication.	Pending for adjudication
Ankit Mohan vs. NIIT University & Ors.	District Court, Saket, New Delhi	This is a case filed by an ex-student of NIIT University in which Rajendra Singh Pawar (the promoter and director of the Company) has been arrayed as one of the defendant in capacity of being founder of the said University. The claimant has claimed a sum of Rs. 13,00,000 towards damage and compensation on account of alleged non-fulfillment of promise to place him with a desirable job	For final argument

Litigation involving our Promoters

Criminal proceedings involving our Promoters
Please refer to the details mentioned in above table under the head 'Litigation involving our Directors'.

Civil litigations involving our Promoters
Please refer to the details mentioned in above table under the head 'Litigation involving our Directors'.

Regulatory/ Statutory actions taken against our Promoters : *Nil*

Tax proceedings against our Promoters : *Nil*

Disciplinary actions against our Promoters : *Nil*

For complete details about outstanding dues to the creditors of our Company, see "*Financial Statements*" on page 84.

Material Developments
For details of material developments since last balance sheet date, refer section titled "*Management Discussion and Analysis of Financial Condition and Results of Operations* on Page 85.

GOVERNMENT APPROVALS

Pursuant to the Composite Scheme of Arrangement, all the Licenses of the CLG Business Undertaking shall stand transferred to and vested in the Transferee Company. Any other permits, licenses, consents, approvals, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, as are held at present by the Transferor Company, but relate to or benefitting at present the Residual Business and the CLG Business Undertaking, shall be deemed to constitute separate permits, licenses, consents, approvals, authorisations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, and the necessary substitution/endorsement shall be made and duly recorded in the name of the Transferor Company and the Transferee Company by the relevant authorities pursuant to the sanction of this Scheme by the NCLT. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this sub-clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to sanction of this Scheme by the NCLT. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

Incorporation details

The Company was incorporated as a public company under the Companies Act, 1956 on July 16, 2001, under the name of Minimally Invasive Education Company Limited. The name of the Company was changed to Hole-In-The-Wall Education Limited vide fresh certificate of incorporation dated February 7, 2003, issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. The name of the Company was changed to MindChampion Learning Systems Limited vide fresh certificate of incorporation dated June 18, 2015, issued by Registrar of Companies, National Capital Territory of Delhi and Haryana. Further, the name of the Company was changed to its present name i.e., NIIT Learning Systems Limited vide fresh certificate of incorporation dated January 18, 2022. Its registered office is situated at Plot No. 85, Sector-32, Institutional Area, Gurugram 122001 (Haryana).

Material Approvals in relation to our business and operations

A. Corporate Approvals

(i) Certificate of incorporation dated January 18, 2023 (pursuant to name change), issued to our Company by the Registrar of Companies, NCT of Delhi & Haryana.

B. Approvals from Tax Authorities

(i) The Permanent Account Number (PAN) of our Company is AACCM9500C .
(ii) The Tax Deduction and Collection Account Number (TAN) is DELM06366D.
(iii) The Goods and Service Tax (GST) registration number of our Company is 06AACCM9500C2ZW.

C. Labour / employment related approvals

Our Company is required to obtain following approvals and licenses under various laws, rules and regulations in order to carry on the business in India in relation to its offices and business units:
(i) Registration under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, issued by the Employees' Provident Fund Organisation.
(ii) Registration under the Employees' State Insurance Act, 1948, issued by the Employees' State Insurance Corporation.
(iii) Certificate issued under the Contract Labour (Regulation and Abolition) Act, 1971 issued by the labour commissioners of relevant states.
(iv) Registration under the applicable shops and establishments legislation for our network facilities, issued by the ministry or department of labour of relevant State government, wherever applicable.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Prohibition by SEBI

Our Company, Directors, Promoters and Promoter Group are not prohibited from accessing the capital markets or debarred from buying, selling, or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, Promoters, Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable.

Fugitive Economic Offences

None of our Promoters or Directors is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.

Association with the Securities Market

None of our Directors are associated with the securities market in any manner except to the extent of their shareholding / directorships in other companies. No action has been initiated by SEBI against any such Directors during the five years preceding the date of this Information Memorandum.

Identification as willful defaulter by RBI

Our Company, Promoters, Directors have not been identified as wilful defaulters by the Reserve Bank of India.

Disclaimer clause of SEBI

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS INFORMATION MEMORANDUM TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS INFORMATION MEMORANDUM.

THE FILING OF THIS INFORMATION MEMORANDUM DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, ANY IRREGULARITIES OR LAPSES IN THIS THIS INFORMATION MEMORANDUM."

Disclaimer Clause of the BSE

BSE vide its letter bearing reference no. DCS/AMAL/MJ/IP/2344/2022-23 dated May 30, 2022, approved the Composite Scheme of Arrangement under Regulation 37 of the SEBI Listing Regulations and by virtue of the said approval, BSE's name has been included in this Information Memorandum as one of the stock exchanges on which our Company's Equity Shares are proposed to be listed.

As required, a copy of the Information Memorandum has been submitted to BSE and Information Memorandum shall be submitted to BSE.

Disclaimer Clause of the NSE

The approval given by the NSE should not in any manner be deemed or construed that the Scheme has been approved by NSE; and/ or NSE does not in any manner warrant, certify or endorse the correctness or completeness of the details provided for the unlisted Company; does not in any manner take any responsibility for the financial or other soundness of the Resulting Company, its promoters, its management etc.

General Disclaimer from our Company

Our Company accepts no responsibility for statements made otherwise than in this Information Memorandum or in the advertisements to be published in terms of Annexure I Para III (A)(5) of the SEBI Circular or any other material issued by or at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by our Company to the public and investors at large and no selective or additional information will be available for a section of the investors in any manner.

Listing

Applications have been made to BSE and NSE for an official quotation of the Equity Shares of our Company. Our Company has nominated BSE as the Designated Stock Exchange for the aforesaid listing of Equity Shares. Our Company has taken steps for completion of necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above within a period as approved by SEBI.

Listing Approval from BSE and NSE

Our Company has obtained in-principle listing approvals from BSE and NSE on [●] and [●]. Our Company shall make the applications for final listing and trading approvals from BSE and NSE.

Exemption from Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957

Our Company was granted an exemption from the application of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 by the SEBI vide the letter no. [●] dated [●].

Filing

A copy of this Information Memorandum has been filed with BSE and NSE.

Demat Credit

Our Company has executed a Tripartite Agreement with the Depositories i.e., NSDL and CDSL, dated May 24, 2023, and May 26, 2023 respectively, for admitting our Equity Shares in demat form. Our Company has been allotted ISIN - INE342G01023. The shares of our Company, on allotment, shall be traded on stock exchanges in demat mode only.

Consent

Our Company has obtained consent from our Directors, Statutory Auditor and Registrar to include their name in the Information Memorandum.

Expert Opinions

Save as stated elsewhere in this Information Memorandum, we have not obtained any expert opinions.

Allotment of Equity Shares

Pursuant to the Scheme, the Company has on June 12, 2023, issued, and allotted 13,46,14,360 Equity shares of face value Rs. 2/- each to all eligible shareholders of NIIT Limited on the Record Date i.e., June 8, 2023.

The Company has issued securities in dematerialized form only. Accordingly, in respect of those shareholders who were holding shares in NIIT Limited in demat form as on Record Date, the Company has credited the demat account(s) of the respective shareholders.

Further, in respect of those shareholders who were holding shares in NIIT Limited in physical form as on Record Date, the Company has transferred the relevant shares allotted to these shareholders in the separate Demat Account of the Company viz. NIIT Learning Systems Limited Demat Suspense Account – Scheme maintained with Alankit Assignments Limited. In addition, in respect of those shareholders who were holding shares in NIIT Limited in demat form as on Record Date and demat credit was rejected by the depository system, the Company has transferred the relevant shares allotted to those shareholders in the abovesaid separate Demat Account of the Company.

We further confirm / undertake that as soon as these shareholders would share the details of their demat accounts and prove their credentials to the satisfaction of the Company's registrar and the registrar would take steps to credit the eligible shares of our company into demat account of concerned shareholder out of suspense account as mentioned above. For this purpose, all such shareholders have been informed by the Company by individual intimation sent by registered post on June 24, 2023, to enable the Company to release the said shares to the rightful owner.

Previous Rights and Public Issues
Since incorporation, our Company has not issued any Equity Shares to the public or undertaken any rights issue to the public.

Capital Issuances since Incorporation
For details of the issuances of Equity Shares by our Company since incorporation, see "Capital Structure" at page 25.

Commission and Brokerage on Previous Issues
No sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares by our Company.

Performance vis-à-vis objects
This is the first time our Company is getting listed on any stock exchange.

Outstanding Debentures or Bonds and Redeemable Preference Shares and other Instruments issued by our Company
There are no outstanding debentures or bonds and redeemable preference shares and other instruments issued by our Company, except the stock options under Employee Stock Option Plan pursuant to the scheme.

Stock Market Data for Equity Shares of our Company
The Equity Shares of our Company are not listed on any stock exchange. Through this Information Memorandum, our Company is seeking approval for listing of its Equity Shares from the Stock Exchanges pursuant to the Scheme.

Disposal of Investor Grievances
KFin Technologies Limited is the Registrar and Transfer Agent of the Company to accept the documents / requests / complaints from the investors / shareholders of the Company. All documents are received at the inward department, where the same are classified based on the nature of the queries / actions to be taken and coded accordingly. The documents are then electronically captured before forwarding to the respective processing units. The documents are processed by professionally trained personnel. The Company / RTA has set up service standards for each of the various processes involved such as effecting the transfer/dematerialization of securities / change of address ranging from 3-7 days.

Deepak Bansal, Company Secretary and Compliance Officer of the Company is vested with responsibility of addressing the Investor Grievance in coordination with Registrar & Transfer Agents.

Alternatively, shareholders can express their grievances by sending mails to einward.ris@kfintech.com or raise complaints in SCORES (common portal introduced by SEBI). Further, the Shareholders can also raise their grievances with our Company Secretary and Compliance Officer As on the date of this Information Memorandum, our Company has not received any investor complaints.

Name and Contact Address of the Company Secretary and Compliance Officer
Deepak Bansal
Company Secretary and Compliance Officer
Plot No. 85, Sector 32, Institutional Area, Gurugram – 122001, Haryana
Tel.: 0124-4293000
Email: investors@niitmts.com
Website: www.niitmts.com

Capitalization of reserves or profits or revaluation of assets

There has been no capitalization of our reserves or profits or revaluation of our assets since incorporation to the date of this Information Memorandum.

Undertaking

The complaints received from the investors shall be attended to by the Company expeditiously and satisfactorily. All steps for completion of the necessary formalities for listing and commencement of trading at all stock exchanges where the securities are to be listed are taken within the period prescribed by SEBI.

SECTION VIII – OTHER INFORMATION

MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Act and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below.

SHARE CAPITAL

1. The Authorized Share Capital of the Company shall be of such amount and divided into such shares as provided in Clause V of the Memorandum of Association of the Company.

ALLOTMENT OF SHARES

2. Except as provided in Section 77 of the Act, no part of the funds of the Company shall be employed in the purchase of the Company's own shares.

3. Subject to the provisions of the Act and these Articles, the shares shall be under the control of the Board of Directors who may allot or otherwise dispose of the same to such persons on such terms and conditions, at such times, either at par or at a premium, and for such consideration, as the Board thinks fit, provided that option or right to call of shares shall not be given to any person except with the sanction of the Company in General Meeting and where at any time it is proposed to increase the subscribed capital of the Company by the allotment of further shares then subject to the provisions of section 81 (IA) of the Act, the Board shall issue such shares in the manner set out in section 81 (I) of the Act.

4. Except as ordered by a count of competent jurisdiction or as by Law required, the Company shall not be bound to, recognise any equitable, contingent, future or partial interest in any share or (except only as is by these Articles, otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

5. The Companies shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not be bound to recognise any trust, equitable, contingent, future or partial interest in any fractional part of a share of (except only as is by these Articles otherwise expressly provided) and other right in respect of share other than an absolute right thereto in accordance with these Articles in the person from time to time registered as the holder thereof. However, such registered holder shall be entitled to appoint a nominee as per provisions of section 109A of the Companies Act.

6. a) Every Member or allottee of shares shall be entitled without payment, to receive one or more certificates in marketable lots specifying the name of the person in whose favour it is issued, the shares to which it relates, and the amount paid up thereon. Such certificate/s shall be issued only in presence of a resolution passed by the Board and on surrender to the Company of its letters of allotment or its fractional coupons of requisite value save in cases of issues, against letter of acceptance or of renunciation, or in cases of issues of bonus shares. Every such certificate/s shall be issued under the Seal of the Company which shall be affixed in the presence of two Directors and the Secretary, or some other Authorised Person shall sign the certificate/s, provided that if the composition of the Board permits of it, at least one of the aforesaid. two Directors shall be a person other than a Managing your Wholetime Director. Particulars of every share certificate/s issued shall be entered in the Register of Members against the name of the person to whom it has been issued, indicating the date of issue.

b) Any two or more Joint allottees of share shall be treated as a Single Member for the purpose of this Article and the Certificate of any share, which, may be subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled but shall not be bound to prescribe a charge not exceeding Rupees Two. The Company shall comply with the provisions of section 113 of the Act.

c) A Director may sign a Share Certificate by affixing his signature thereon by means of any machine, equipment, or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such. machine, equipment, or other material used for the purpose.

d) If any certificate of any share or shares be surrendered to the Company for sub-division, split or consolidation into market units of trading or if any certificate be defaced, old, decrept, worn out or the cages in the reverse for recording transfer have been duly utilised, then, upon surrender thereof to the company the same to be cancelled, the Company shall issue a new certificate in lieu thereof at free of charge.

e) No fee shall be charged for the split, consolidation, renewal and pucca transfer receipt into denominations corresponding to the market units of trading, for renounceable letter of rights, for registration of any Power of Attorney, Probate, Letters of Administration or Death Certificate or for similar other documents.

7. The rules under "The Companies (Issue of Share Certificate) Rules, 1960 shall be complied with, in the issue, reissue, renewal of Share Certificates and the form, sealing and signing of the certificates and records of the certificates, issues shall be maintained in accordance with the said rules. The provisions of Depositories Act, 1996 and rules & regulations made thereunder shall be complied with, as and when made applicable.

8. The Board of Directors may allot and issue shares of the Company as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances, supplies or for services rendered to the Company in or about the formation of the Company or the acquisition and /or in the conduct of its business; and any shares which may be so allotted may be issued as fully/partly paid up shares and if so issued shall be deemed as fully/partly paid up shares.

9. a) The Directors shall, in making the allotments duly observe the provisions of the Act.

   b) The amount payable on application on each share shall not be less than 5% of the nominal value of the share.

   c) Nothing herein contained shall prevent the Directors from issuing fully paid-up shares either oil payment of the entire nominal value thereof in cash or in satisfaction of any outstanding debt or obligation of the Company.

10. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company are liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms, and conditions of redemption.

11. On the issue of Redeemable Preference Shares under the provision of Article 12 hereof the following provisions shall take effect:

    a) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares for the purpose of the redemption.

b) No such shares shall be redeemed unless they are fully paid.

c) The premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's share Premium Account before the shares are redeemed.

d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise be available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the share redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act apply as if the Capital Redemption Reserve Account were paid up share capital of the Company.

12. The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures, or debenture stock of the Company or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, debentures, or debenture stock of the Company so that the commission in respect of the shares. shall be paid; the provisions of Section 76 and other statutory requirements shall be observed and complied with, and the rate of commission shall not exceed 5% of the issue price of the shares, 2 1/2% of the price of the debentures or the debenture stock as the case may be, subscribed or to be subscribed. Such commission may be satisfied by the payment of cash or by allotment of fully/partly paid shares or partly in one way and partly in the other.

13. Subject to provisions of Section 79A and 81 of the Companies Act, 1956, the Board may allot and issue shares to its own employees or the employees of its subsidiary, holding or associate companies on such terms and conditions as may be decided by the Board of Directors or Committee thereof from time to time.

CALLS ON SHARES

14. The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such Call as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by instalments. A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board.

15. 30 day's notice in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid.

16. If any member fails to pay call on the day appointed for payment thereof the Directors may at any time, thereafter serve a notice on him requiring him to pay the call with any interest which may have accrued. The notice shall name a further day (not earlier than the expiration of 14 days from the date of notice) on or before which payment is required by the notice to be and shall state that in the event of non-payment on or before the time appointed, the share in respect of which the call was made will be liable to be forfeited.

17. On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the company in respect of his shares, it shall be sufficient to prove-that the members in respect of whose Shares the money is sought to be recovered, appears entered in the Register of Members as the holder, at or subsequently to the date at which the money sought to be recovered is alleged to have become due on the shares in respect of which such money is sought to be recovered; that the resolution making the call is duly recorded, in the

minute book, and that notice of such call was duly given to the member or his representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of the Directors was present at the Board Meetings at which any call was made, was duly convened or constituted, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive of the debt.

18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

19. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who from residence at a distance or other cause, the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.

20. If any member fails to pay any call due from him on the day appointed for payment thereof, or, any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but not exceeding 24% but nothing in this Article shall render it obligatory for Board to demand or recover any interest from any such Member.

21. Any sums, which by terms of issue of a share become payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be call duly made and payable on the date on which by the terms of issue the same become payable and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

22. The Board may, if thinks fit, agree to and received from any Member, willing to advance the same, all or any part of the amounts of his shares beyond the sums actually called up; and upon the money so paid in advance, or upon so such thereof from time to time at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board may pay or allow interest at such rate not less than 15% as the Member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving the Member three months' notice in writing. Money paid in advance of calls shall not in respect thereof confer a right to dividend or to participate in the profits of the Company.

LIEN

23. The Company shall have a first and paramount lien upon all the shares (other than fully paid-up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (Whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any shares shall be created except upon the footing and condition this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien if any on shares. The Directors may at any time declare any shares wholly or in part to be exempt from the provisions of this clause.

24. The shares of any member who is indebted to the Company may be sold by resolution of the Directors, to satisfy the Company's lien thereof, and be transferred to the purchaser without the consent and not withstanding any opposition on the part of the indebted member and complete title to the share of any such member which shall be sold and transferred against indebted member and all persons claiming under him whether he may be indebted to the company in fact or not and thereupon, the point of the purchaser shall be deemed to be the holder of such shares discharged from all dues and calls made

prior to such purchase, and shall not be bound to see to the application of the purchase money nor his titles to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

25. No sale shall be made under Article 35 unless any part of the debt in respect of which the lien exists is presently payable. Further such right of sale shall not be exercised until the expiry of 14 days after the service of the notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists, has been served to the registered holder for the time being of shares or the person entitled by reason of his death or insolvency, to the shares.

26. The net proceeds of any such sale shall be applied in or towards satisfaction of such debt, liabilities and engagements in respect of which the lien exists and the residue/if any, be paid (subject to like lien for sum not presently payable as existed upon the shares prior to the sale) to such members or his representatives or to the persons entitled to the share at the time of the sale.

REDUCTION OF CAPITAL

27. Subject to the confirmation of the Court, the Company may from time to time by special resolution and in any manner authorised by law reduce its share capital in any way and in particular and without prejudice.

    a) Extinguish or reduce the liability on any of its shares in respect of the share capital not paid up.

    b) Either with or without extinguishing, reducing liability on any of its shares, cancel any paid-up share capital which is lost, or is unrepresented by-available assets; or

    c) Either with or without extinguishing, or reducing liability on any of its shares, cancel any paid-up capital which is in excess of the wants of the Company and may if and so far as if necessary alter its memorandum by reducing the amount of its share capital and of its shares accordingly. This Article is not to derogate any power the Company would have if it were omitted.

28. Subject to the provisions of Section 94 of the Act, the Company in General Meeting may by an ordinary resolution from time to time, subdivide or consolidate its shares, or any of them, and the resolution whereby any share issued divided, may determine that, as between the holders of the shares resulting from such sub-division one or more of such shares have some preference or special advantage as regards dividend, capital or otherwise over as compared with the others or other. Subject as aforesaid the Company in General Meeting may by an ordinary resolution also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

29. Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may subject to the provisions of Section 106 and 107 of the Act, be modified, commuted, affected or abrogated, or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of atleast three fourths in nominal value of the issued shares of the class or if confirmed by a special resolution passed at a separate General Meeting of the holders of shares of that class.

30. a) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares made for the first time after formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares whether out of unissued share capital or out of increased share capital, then such further shares, shall be offered to the equity shares of the Company, in proportion, as nearly as circumstances admit, to the

capital paid-up on those shares at that date, such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than 45 days from the date of the offer within which the offer, if not accepted will be deemed to have been declined. After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose off them in such manner as they may think most beneficial to the Company.

b) Notwithstanding anything contained in the preceding sub-clause, the Company, may

i) by a special resolution, or
ii) by an ordinary resolution and with the consent of the Central Government issue further shares to any persons, and person or persons may not include the persons who at the date of the offer are the holders of the equity shares of the Company.

c) Notwithstanding anything contained in sub-clause (a) above, but subject, however, to Section 8(3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company

BUYBACK OF SHARES/SECURITIES

31. Notwithstanding anything contained in these Articles of Association, the Company shall have the power to buyback its shares or other securities in accordance with the provisions of Section 77 A, 77AA and 77 B of the Companies Act, 1956 from its existing shareholders or the holders of other securities on a proportionate basis or by purchase of the shares or securities issued to the employees of the Company pursuant to a scheme of stock option or sweat equity.

TRANSFER & TRANSMISSION OF SHARES

32. The Company shall keep a “Register of Transfers” and therein shall be fairly and distinctly entered particulars of every transfer and transmission of any shares, subject to the provisions of sections 109A and 109B of the Companies Act.

    The instrument of transfer of any share shall be in writing and all the provisions of Section 108 of the Companies Act, 1956 and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and registration thereof. Every instrument of transfer of shares shall be in accordance with and in the form prescribed under the Act or the Rules made thereunder.

    Every such instrument of transfer shall be executed both by the Transferor and the Transferee and attested and the transferor shall be deemed to remain the holder of such shares until the name of the transferee shall have been entered in the Register of Members in respect thereof.

33. Subject to the provisions of Section 111A of the Companies Act, 1956, the shares, debentures, or any interest therein of the Company, shall be freely transferable. However, the Company may, with sufficient cause, refuse to register transfer of any shares to a transferee whom they do not approve.

DIRECTORS

34. The Company shall have not less than three and not more than twelve Directors including the nominated, technical, special, additional, debenture Directors, if any, and also including any other kind of Director on the Board,

35. Any person, whether member of the Company or not, may be appointed as a Director and no qualification by way of shareholding be required from any Director.

36. In case the Union Government or any State Government or any Financial Institution grants loans, renders any other form of financial assistance or accepts participation in the capital of the Company, such Government or Financial Institution shall, if the agreement between it and the Company so provides be entitled to nominate its representation or representatives on the Board of Directors. Such Directors shall cease to be Directors upon repayment of such loan, their ceasing to be interested in the Company in any fiduciary capacity or the expiry of the term stipulated in the agreement for termination of such rights of nomination. Such nominating body may, from time to time remove its nominees and appoint another nominee or nominees in their place and while holding such office such nominees shall be liable to retirement by rotation.

37. If any Director appointed by the Company in General Meeting vacates office as Director before his term of office will expire in the normal course, the resulting casual vacancy may be filled up by the Board at a meeting of the Board of Directors but any person so appointed shall retain his office so long as the vacating Director would have retained the same if no vacancy had occurred, provided that the Board of Directors may not fill such a vacancy by appointing thereto any person who has been removed from the office of Director under Section 284 of the Companies Act. 1956.

38. Each Director shall be paid out of the funds of the Company as sitting fees for such sums as may be decided by the Board of Directors, not exceeding the sums prescribed under the applicable laws from time to time, for every meeting of the Directors or any Committee thereof at which he shall be present in person, besides travelling, boarding, lodging and other expenses.

39. Subject to the provisions of Section 314 of the Companies Act, if any Director shall be appointed to advice the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company the Directors may pay to such Director such special remuneration as they think fit which remuneration may be in the form of either salary, commission or lumpsum and may either be in addition to or in substitution of the remunerations specified in the last preceding Article.

40. The Directors shall have power from time to time to appoint any other person to be Directors, provided the total number of Directors shall not at any time exceed the maximum number fixed as above. But any Directors so appointed shall hold office only until the next following Annual General Meeting of the Company and shall then be eligible for re-election.

41. The Directors may elect one of their body to the office of the Chairman of the Board of Directors and the Director so elected as Chairman shall hold office at the pleasure of the Board and subject to his continuing as a Director and he shall preside over all the meetings of the Board and the General Meetings during the tenure of office. However, in his absence the Board of Directors or Members in their meeting may elect any other person as Chairman to preside over the meeting of the Directors/Members, as the case may be.

42. At the Annual General Meeting of the Company to be held in every year one third of such Directors are liable to retire by rotation - for the time being or, if their number is not three or multiple of three, then the number nearest to one third shall retire from office and they will be eligible for re-election.

43. If at any Annual General Meeting at which an election of Directors ought to take place, the place of any retiring Director is not filled up, he shall if Willig. continue in office until the Annual General Meeting in the next year and so on from year until his place is filled up, unless it shall be determined at such meeting (on due notice) 'to reduce the number of Directors in office.

44. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

MEETING OF BOARD OF DIRECTORS

45. A Director from time to time or a Managing Director upon the request of any Director shall convene the meeting of the Board. All Meetings of the Board of Directors of the Company shall, unless and otherwise determined by the Board, be held at the Registered Office. The quorum for a Board Meeting shall be two Directors or one third of the total strength (any fraction contained in one third being rounded off as one) whichever is higher. The Board shall meet atleast once in every three months.

46. Same as otherwise expressly provided in the act, a resolution in writing circulated in draft together with all necessary papers and signed by all or a majority of the members of the Board of Directors or of a Committee thereof for the time being entitled. receive notice of a meeting of the Board or Committee shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee duly· convened and held. In the event of the signature of anyone or more of the Directors to any such of resolution being affixed on different dates the said resolution shall unless otherwise stated therein be deemed to be passed on the date of signature of the Director signing last.

POWERS OF THE BOARD

47. The business of the Company shill be managed by the Directors who may pay all expenses incurred in getting up and registering the Company and may exercise all such powers of the Company as are not by the Companies Act, 1956 or any statutory modifications thereof for the time being in future or by these Articles, required to be exercised by the Company in General Meeting subject nevertheless, to any. regulation of these Articles or the provisions of the said Act, and to such regulations being not . inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting, but no regulations made by the Company in General Meetings shall invalidate and prior of the Directors which would have been valid If that regulation· had not been made.

48. Subject to the provisions of Section 292 of the Act, the Directors may delegate any of their powers to a committee consisting of such member or members of their body as they think fit, or to any category of managerial personnel or pay any principal officer of the Company or to principal officer of the Branch office of the Company. Any such committee or delegates shall, in exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Directors.

BORROWING POWERS

49. The Directors may from time to time at their discretion raise or borrow or secure the payments of any sum or sums of money for the purpose of Company's business and may secure the payment for or repayment of such money by mortgage or charge upon the whole or any part of the assets and property of the Company (present and future) including its uncalled and unpaid capital.

50. Subject to aforesaid, any bonds, debenture stock or other securities. issued by the Company shall be under the control of Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

MANAGING DIRECTOR, MANAGER AND SECRETARY

51. **MANAGING DIRECTOR**
Subject to the provisions of the Act, the Directors from time to time entrust to and confirm upon the Managing Director or Managing Directors for the time being such of the powers exercisable under these

presents by the Directors as they may think tit, and may confer such powers for such time, and to be exercised for such objects and purposes upon such terms and conditions with such restrictions as they think expedient and they may confer such powers either collaterally with or the exclusion of, and in substitution for all or any of the powers of the Director in that behalf, and may from time to time withdraw, revoke, alter or vary all or any of such powers.

MANAGER

Subject to the provisions of Section 197 A and 388 and any other applicable Sections of the Companies Act, 1956, the Board shall have the power to appoint a Manager upon such terms and conditions as the Board thinks fit.

SECRETARY

Subject to the provisions of the Act, from time to time, appoint for such term and at such remuneration and upon such conditions as it may think fit and its discretion, remove any individual (hereinafter called "the Secretary") who shall have such qualifications as may be prescribed under the Act, to perform such duties and functions, which by the Act or otherwise are to be performed by the Secretary of the Company and to execute any other duties and functions which may, from time to time, be assigned to the Secretary by the Board or the Managing Director.

Subject to the provisions of the Act, a Director may be appointed as Secretary. Any provisions of the Act or these regulations requiring or authorising a thing to be done by a Director and the Manager or Secretary shall not be satisfied by its being done by the same person acting both as Director and as or in the place of the Manager or the Secretary.

GENERAL MEETING

52. The Company shall comply with the provisions of Sections 170 to 186 of the Act or statutory modifications thereof in the calling and conduct of meetings.

VOTES OF MEMBERS

53. On a show of hands, every member present in or by proxy, or attorney, and being a holder of equity shares, and entitled to vote, shall have one vote. On a poll, the voting rights of members shall be as laid down in the Act. Preference shareholders shall have right to vote in accordance with the provisions of Section 87 of the Companies Act.

54. Chairman, if any, of the Board of Directors shall preside as Chairman at every General Meeting of the Company. If there is no such Chairman or if at any Meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman, the members present shall choose another Director as Chairman, and if no Director be present or if all the Directors decline to take the Chair, then the in members present shall choose some one of their number to be Chairman.

55. At any General Meeting a resolution put to the vote at the Meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demand in accordance with the provisions of Section 179 of the Act. Unless a poll is so demanded, a declaration by the Chairman that resolution has, on a show of hand, been carried unanimously or by a particular majority, or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number of proportion of the votes recorded in favour of or against that resolution.

56. If a poll is duly demanded, it shall be taken in such manner as the Chairman directs and the results of the poll shall be deemed to be the decision of the meeting on the resolution in respect of which the poll was demanded.

57. In the case of equal votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or a casting vote.

58. a) On a show of hands every member holding equity shares and present in person shall have one vote.

b) On a poll, every member holding equity shares therein shall have voting rights in proportion to his share of the paid-up Equity Share Capital.

c) On a poll, a member having more than one vote, or his proxy or other person entitled to vote for him need not use all his votes in the same way.

59. In the case of joint holders, the vote of the first named of such joint holders who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders.

60. On a poll, votes may be given either personally or by proxy.

61. No member shall be entitled to vote at any General Meeting unless all calls or other sums· presently payable by him have been paid; or in regard to which the Company has lien and has exercised any right of lien.

ACCOUNTS

62. Books of accounts shall be kept at the registered office of the Company and at such other place in India as the Directors may think fit.

63. The Directors shall, from time to time, determine whether and to what extent and at what times and places and under what condition or regulation the accounts and books of the Company or any of them shall be open to inspection of members not being Directors, No member (not being a Director) shall have any right to inspect the same, except as provided by the Companies Act, or authorised by the Board of Directors, or by any resolution of the Company in General Meeting.

AUDIT

64. Once atleast in every year the account of the Company shall be examined, and the correctness-thereof and of the Balance Sheet and Profit and Loss Account ascertained by one or more Auditor or Auditors.

65. As regards the appointment and remuneration, qualification and disqualification, removal, powers, rights and duties of Auditors, the Directors and the Auditors shall have regard to Sections 224 and 231 of the Companies Act, 1956.

66. Every account of the Company when audited and approved by a General Meeting shall be conclusive, except so far as regards any error discovered therein before or at the audit of the then next account, and whenever such error is discovered within that period the account shall be forthwith corrected and hence forth shall be conclusive.

CAPITALISATION OF PROFITS

67. The Company in General Meeting may, upon the recommendation of the Board resolve;

a) That it is desirable to capitalise a part of the amount for the time being standing to the credit of the Profit and Loss Account, or otherwise available for distributions and

b) That such sum be accordingly set free for distribution in the manner specified in clause two among the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

COMMON SEAL

68. Subject to the provisions of the Companies; (Issue of Share Certificate Rules) 1960 the Common Seal· of the Company shall be affixed to any instrument with express authority, of a resolution passed by the Board of Directors, for affixing the seal, in the presence of at least one of the Directors along with either the Secretary or any official duly authorised by the Board of Directors and that Director and the Secretary, or the Authorised Signatory shall sign every instrument to which the Common Seal is so affixed in their presence.

INDEMNITY

69. Every Director, Secretary or Officer, of the Company or any person (whether an officer of the Company or not) employed by the Company as Auditor shall be indemnified out of the funds of the Company against all liabilities incurred by him as such Director, Secretary or Officer or Auditor in defending a proceeding whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application u/s 633 of the Companies Act, 1956 in which relief is granted to him by the Court.

70. No Director, Secretary, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, defaults of any other Director, Auditor or other officer for joining in any receipts or other acts for conformity or for any loss or expense happening to the Company through the insufficiency of title to any property acquired by order of the Director for or on behalf of the Company or for the insufficiency of deficiency of any security in or upon which any of his moneys of the Company shall be vested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any money, securities or effect shall be deposited, unless the same happens through his default or negligence.

DIVIDENDS

71. The Company in Annual General Meeting may declare a dividend to be paid to the members according to their rights and interests in the profits and for the purpose of the equilisation of dividends any sums from time to time in accordance with these presents carried to the reserve, depreciation, or other special funds, may be applied in payment thereof. The dividends so declared by the General Body shall not exceed the amount so recommended by the Directors.

72. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect where of the dividend is paid but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

73. No dividends shall be payable except out of the profits of the year or any other un-distributed profits, and no large dividend- shall be declared than is necessary recommended by the Directors of the Company. The Directors in Annual General Meeting may declare a smaller dividend. Before declaring any dividend, the Company shall have regard to the provisions of Section 205 of the Act. Unclaimed dividend, if any, will be dealt as per the provisions of Section 205-A of the Act and no unclaimed dividend shall be forfeited unless the claim becomes barred by law.

74. The Board may, from time to time, pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company.

WINDING UP

75. If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in special or kind, the whole or any part of the assets of the Company, whether they shall consist of property of some kind or not.

    For the purpose aforesaid, the liquidator may set such values as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

    The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction shall think fit but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INSPECTION OF BOOKS OF ACCOUNTS AND REGISTERS

76. Subject to the provisions of the Act, the Board shall from time to time determine whether and to what times and places and under what conditions or regulations the accounts, books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by statute or authorised by the Directors or by resolution of the Company in the General Meeting.

77. Subject to the provisions of these Articles and the Act, no member shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Directors or to require discovery of or any information respecting any details of the company’s trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the directors it will be expedient in the interests of the Company to communicate.

SECRECY

78. Every Director, Secretary, Auditor, or any other person employed in the business of the Company shall, if so required by the Board, before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with the customers and the state of accounts with the individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Board or by the law of the Country and except so far as may be necessary in order to comply with any of the provisions in these Articles contained.

79. Subject to the Act and these Articles, no member or any other person (other than Director) shall be entitled to enter the premises of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information respecting any details of the company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter which may relate to the conduct of the business of the Company and which in the opinion of the directors it will be expedient in the interests of the Company to disclose or communicate.

MATERIAL DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of our Company on any working day (i.e. Monday to Friday and not being a bank holiday in Haryana) between 10:00 AM and 2:00 PM for a period of seven days from the date of filing of this Information Memorandum with the Stock Exchanges.

Documents for Inspection:

- Memorandum and Articles of Association of the Company, as amended till date.
- Certificate of incorporation of our Company dated July 07, 2001. Certificate of Incorporation pursuant to Change of Name dated January 18, 2022.
- Statement of tax benefits dated June 27, 2023 issued by Bansi S. Mehta & Co., Chartered Accountants.
- NCLT order dated May 19, 2023 approving the Composite Scheme of Arrangement.
- Letters issued by BSE and NSE under Regulation 37 of the SEBI Listing Regulations, bearing reference no. DCS/AMAL/MJ/IP/2344/2022-23 dated May 30, 2022, and no. NSE/LIST/29916_II dated May 31, 2022, respectively, approving the Composite Scheme of Arrangement.
- SEBI's letter (bearing reference no. [●]) dated [●] granting relaxation of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 as per the SEBI Circular issued by SEBI dated March 10, 2017, for the purpose of listing of the shares.
- BSE letter no. [●] dated [●] granting in-principle approval for listing.
- NSE letter no. [●] dated [●] granting in-principle approval for listing.
- Tripartite Agreement dated May 24, 2023, with NSDL, Registrar and Transfer Agent and our Company.
- Tripartite Agreement dated May 26, 2023, with CDSL, Registrar and Transfer Agent and our Company.

Any of the documents mentioned in the Information Memorandum may be amended or modified at any time if so, required in the interest of the Company or if required by the other parties, without reference to the shareholders subject to compliance with the provisions contained in the Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under section 3 of SEBI Act, as the case may be, have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the Act, the SCRA, the SCRR and the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. All statements made in this Information Memorandum are true and correct.

For and on behalf of the **Board of Directors of NIIT Learning Systems Limited**

Vijay Kumar Thadani **Vice Chairman & Managing Director**	**Sanjay Mal** **Chief Financial Officer**	**Deepak Bansal** **Company Secretary & Compliance Officer**

Place: Gurugram
Dated: June 27, 2023

Annexure A

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

INDEPENDENT AUDITOR'S REPORT

To the Members of NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited) (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2023, the consolidated Statement of Profit and Loss including the Other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter- Composite Scheme of Arrangement

We draw attention to Note 37 of the consolidated financial statements regarding accounting of transfer of CLG Business Undertaking of NIIT Limited into the Company under the Composite Scheme of Arrangement (the 'Scheme') approved by the National Company Law Tribunal ('NCLT'). As mentioned in paragraph 1.2.3 of the Composite Scheme of Arrangement ("Scheme"), the accounting treatment in the books of account of the Transferee Company has been given effect from the Appointed Date i.e. April 1, 2022, defined in the scheme which is in compliance with the MCA Circular. However, being a common control business combination, Ind AS 103 Business Combinations requires the transferee company to account for business combination from the combination date (i.e., the date on which control has been transferred) or the earliest date presented, whichever is later.

Our opinion is not modified in respect of this matter.

S.R. Batliboi & Associates LLP * Gurugram *

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules , 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can

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★ Gurugram ★

arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 4 subsidiaries, whose financial statements include total assets of Rs 3,735.16 Millions as at March 31, 2023, and total revenues of Rs 3,231.37 Millions and net cash inflows of Rs 68.88 Millions for the year ended on that date. These financial statement and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report(s) of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraphs 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Change in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Companies specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015, as amended

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

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(f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company and its subsidiaries which are companies incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 29 to the consolidated financial statements;

ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2023;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries which are companies incorporated in India during the year ended March 31, 2023.

iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, other than as disclosed in the note 40(viii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, other than as disclosed in the note 40(ix) to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

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v. No dividend has been declared or paid during the year by the Holding Company and its subsidiaries companies, incorporated in India.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 1, 2023 for the Holding Company and its subsidiaries companies incorporated in India, hence reporting under this clause is not applicable.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. Batliboi & Associates LLP
Gurugram

per Sanjay Bachchani
Partner
Membership Number: 400419
UDIN: 23400419BGTGQJ6982

Place of Signature: Gurugram
Date: May 29, 2023

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 OF THE REPORT ON THE OTHER LEGAL AND REGULATORY REQUIREMENTS

Re: NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited) ('the Group')

(xxi) Qualification or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

S. No.	Name	CIN	Holding company/ subsidiary company	Clause number of the CARO report which is qualified or adverse
1	NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited)	U72200HR2001PLC099478	Holding Company	Clause vii(a)

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. Batliboi & Associates LLP * Gurugram *

per Sanjay Bachchani
Partner
Membership Number: 400419
UDIN: 23400419BGTGQJ6982

Place of Signature: Gurugram
Date: May 29 ,2023

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NIIT LEARNING SYSTEMS LIMTED (FORMERLY KNOWN AS MINDCHAMPION LEARNING SYSTEMS LIMITED)

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

In conjunction with our audit of the consolidated financial statements of NIIT Learning Systems Limited (Formerly Known as Mindchampion Learning Systems Limited) ("the Company") (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

S.R. Batliboi & Associates LLP * Gurugram

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Opinion

In our opinion, the Group which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. Batliboi & Associates LLP * Gurugram

per Sanjay Bachchani
Partner
Membership Number: 400419
UDIN: 23400419BGTGQJ6982

Place of Signature: Gurugram
Date: May 29, 2023

NIIT Learning Systems Limited
(Formerly Known as Mindchampion Learning Systems Limited)

Consolidated Balance Sheet as at March 31, 2023

(All Amounts in Rs. Million, unless otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	**3**	349.68	122.76
Goodwill	**4**	4,342.26	344.17
Other intangible assets	**4**	1,161.74	687.09
Right-of-use assets	**6(ii)**	120.33	37.08
Intangible assets under development	**4**	118.10	24.52
Financial assets			
Other financial assets	**7(iii)**	27.01	24.51
Deferred tax assets (net)	**8(i)**	191.71	160.28
Income tax assets (net)	**8(ii)**	124.23	7.65
Other non-current assets	**9**	9.65	60.13
Total non-current assets		**6,444.71**	**1,468.19**
Current assets			
Inventories	**10**	1.26	5.42
Financial assets			
Investments	**7(i)**	2,826.13	994.19
Trade receivables	**7(ii)**	2,155.36	1,394.30
Cash and cash equivalents	**7(iv)**	2,559.70	2,531.18
Bank balances other than above	**7(v)**	225.91	994.45
Other financial assets	**7(iii)**	2,653.37	1,941.63
Other current assets	**9**	202.29	153.33
Total current assets		**10,624.02**	**8,014.50**
TOTAL ASSETS		**17,068.73**	**9,482.69**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	**11**	269.14	1,155.64
Other equity	**12**		
Reserves and surplus	**12(i)**	6,997.40	3,965.00
Other reserves	**12(ii)**	436.34	331.28
TOTAL EQUITY		**7,702.88**	**5,451.92**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	**13(i)**	916.34	-
Lease liabilities	**6(ii)**	99.53	7.88
Other financial liabilities	**13(iii)**	2,037.85	-
Deferred tax liabilities (net)	**8(i)**	14.03	15.38
Total non-current liabilities		**3,067.75**	**23.26**
Current liabilities			
Financial liabilities			
Borrowings	**13(i)**	242.26	80.37
Lease liabilities	**6(ii)**	30.77	29.86
Trade payables	**13(ii)**	1,006.48	882.47
Other financial liabilities	**13(iii)**	3,340.34	1,477.86
Provisions	**14**	265.21	257.86
Income tax liabilities (net)	**8(ii)**	76.25	179.96
Other current liabilities	**15**	1,336.79	1,099.13
Total current liabilities		**6,298.10**	**4,007.51**
TOTAL LIABILITIES		**9,365.85**	**4,030.77**
TOTAL EQUITY AND LIABILITIES		**17,068.73**	**9,482.69**

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date
For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No.: 101049W/E300004

For and on behalf of the Board of Directors of NIIT Learning Systems Limited

Sanjay Bachchani
Partner
Membership No. 400419

Rajendra S Pawar
Chairman
DIN – 00042516

Vijay K Thadani
Vice-Chairman & Managing Director
DIN - 00042527

Place: Gurugram
Date: May 29, 2023

Sapnesh Kumar Lalla
Executive Director &
Chief Executive Officer
DIN - 06808242

Sanjay Mal
Chief Financial Officer

Deepak Bansal
Company Secretary

Place: Gurugram
Date: May 29, 2023

NIIT Learning Systems Limited

(Formerly Known as Mindchampion Learning Systems Limited)

Consolidated Statement of Profit and Loss for the year ended March 31, 2023

(All Amounts in Rs. Million, unless otherwise stated)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
INCOME			
Revenue from operations	**16**	13,617.87	11,323.24
Other Income	**17**	150.81	139.39
Total Income		**13,768.68**	**11,462.63**
EXPENSES			
Purchase of stock-in-trade		2.53	40.46
Change in inventories of stock-in-trade	**10**	4.16	11.78
Employee benefit expenses	**18**	6,942.03	5,733.80
Professional & technical outsourcing expenses		2,468.95	1,702.78
Finance costs	**19**	128.97	10.42
Depreciation and amortisation expenses	**3,4 & 6(ii)**	471.33	422.84
Other expenses	**20**	1,279.92	918.21
Total Expenses		**11,297.89**	**8,840.29**
Profit before exceptional items and tax		**2,470.79**	**2,622.34**
Exceptional items	**22**	(185.92)	(0.30)
Profit before tax		**2,284.87**	**2,622.04**
Tax expense:	**23**		
- Current tax		400.71	584.60
- Deferred tax charge/ (credit)		(38.01)	16.86
Total tax expense		**362.70**	**601.46**
Profit for the year		**1,922.17**	**2,020.58**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
a) Remeasurement of the defined benefit obligation	**24**	34.90	(48.46)
b) Exchange differences on translation of foreign operations	**12(ii)**	123.59	48.29
c) Income tax effect		(8.79)	12.31
		149.70	**12.14**
Items that will be reclassified to profit or loss			
a) Fair value changes on cash flow hedges, net	**12(ii)**	(18.53)	(1.46)
b) Income tax effect		-	-
		(18.53)	**(1.46)**
Other comprehensive income for the year, net of tax		**131.17**	**10.68**
Total comprehensive income for the year		**2,053.34**	**2,031.26**
Profit attributable to			
Owners of NIIT Learning Systems Limited		1,922.17	2,020.58
		1,922.17	**2,020.58**
Other comprehensive income attributable to:			
Owners of NIIT Learning Systems Limited		131.17	10.68
		131.17	**10.68**
Total comprehensive income attributable to			
Owners of NIIT Learning Systems Limited		2,053.34	2,031.26
		2,053.34	**2,031.26**
Earnings per equity share [Face Value Rs. 2 each (previous year Rs. 10 each)]	**32**		
- Basic		14.31	17.48
- Diluted		13.97	17.48

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date
For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No.: 101049W/E300004

For and on behalf of the Board of Directors of NIIT Learning Systems Limited

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Place: Gurugram
Date: May 29, 2023

NIIT Learning Systems Limited

(Formerly Known as Mindchampion Learning Systems Limited)

Consolidated Statement of Changes in Equity for the year ended March 31, 2023

(All Amounts in Rs. Million, unless otherwise stated)

a) Equity Share Capital [refer notes 11(b) and 37]

Particulars	Number	Amount
Balance as at April 1, 2021 (Equity shares of Rs. 10 each)	**115,564,072**	**1,155.64**
Issued during the year	-	-
Balance as at March 31, 2022 (Equity shares of Rs. 10 each)	**115,564,072**	**1,155.64**
Cancelled Pursuant to Scheme of Arrangement (Equity shares of Rs. 10 each)	(115,564,072)	(1,155.64)
Share Suspense Account Shares to be issued Pursuant to Scheme of Arrangement (Equity shares of Rs. 2 each)	134,564,360	269.14
Balance as at March 31, 2023 (Equity shares of Rs. 2 each)	**134,564,360**	**269.14**

b) Other Equity

Particulars	Reserves and Surplus			Other Reserves		Total other equity
	Capital Reserve	Employees Stock Option Outstanding	Retained Earnings	Hedging Reserve Account	Currency Translation Reserve	
Balance as at April 1, 2021	**-**	**-**	**(1,147.94)**	**-**	**-**	**(1,147.94)**
Transferred pursuant to Scheme of Arrangement (Refer note 37)	-	85.36	3,708.79	9.75	274.70	**4,078.60**
Balance pursuant to Scheme of Arrangement	**-**	**85.36**	**2,560.85**	**9.75**	**274.70**	**2,930.66**
Profit for the year	-	-	2,020.58	-	-	**2,020.58**
Other comprehensive income (net of tax)	-	-	(36.15)	(1.46)	48.29	**10.68**
Total comprehensive income for the year	**-**	**-**	**1,984.43**	**(1.46)**	**48.29**	**2,031.26**
Share Based Payments (Refer note 25)	-	124.98	-	-	-	**124.98**
Dividend (Refer note 31)	-	-	(743.64)	-	-	**(743.64)**
Adjustment pursuant to the Scheme of Arrangement (Refer note 37)	-	(60.84)	13.86	-	-	**(46.98)**
Balance as at March 31, 2022	**-**	**149.50**	**3,815.50**	**8.29**	**322.99**	**4,296.28**
Balance as at April 1, 2022						
Cancelled Pursuant to Scheme of Arrangement (Refer note 37)	-	-	1,152.34	-	-	**1,152.34**
Creation of Capital Reserve	3.30	-	-	-	-	**3.30**
Total as at April 01, 2022	**3.30**	**149.50**	**4,967.84**	**8.29**	**322.99**	**5,451.92**
Profit for the year	-	-	1,922.17	-	-	**1,922.17**
Other comprehensive income (net of tax)	-	-	26.11	(18.53)	123.59	**131.17**
Total comprehensive income for the year	**-**	**-**	**1,948.28**	**(18.53)**	**123.59**	**2,053.34**
Share Based Payments (Refer note 25)	-	225.60	-	-	-	**225.60**
Shares to be issued Pursuant to Scheme of Arrangement	-	-	(269.14)	-	-	**(269.14)**
Adjustment pursuant to the Scheme of Arrangement (Refer note 37)	-	(68.98)	41.00	-	-	**(27.98)**
Balance as at March 31, 2023	**3.30**	**306.12**	**6,687.98**	**(10.24)**	**446.58**	**7,433.74**

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No.: 101049W/E300004

For and on behalf of the Board of Directors of NIIT Learning Systems Limited

Sanjay Bachchani
Partner
Membership No. 400419

Rajendra S Pawar
Chairman
DIN – 00042516

Vijay K Thadani
Vice-Chairman & Managing Director
DIN - 00042527

Place: Gurugram
Date: May 29, 2023

Sapnesh Kumar Lalla
Executive Director &
Chief Executive Officer
DIN - 06808242

Sanjay Mal
Chief Financial Officer

Deepak Bansal
Company Secretary

Place: Gurugram
Date: May 29, 2023

NIIT Learning Systems Limited

(Formerly Known as Mindchampion Learning Systems Limited)

Consolidated Statement of Cash Flows for the year ended March 31, 2023

(All Amounts in Rs. Million, unless otherwise stated)

	March 31, 2023	March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items and tax	**2,470.79**	**2,622.34**
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and Amortisation	471.33	422.84
Finance Cost	35.78	9.71
Interest Income	(83.73)	(106.64)
Gain on termination of leases	(0.14)	(11.10)
Unwinding of discount on borrowings and deferred payment liability	1.10	0.71
Profit on sale/ disposal of Property, Plant and Equipment and Intangible assets (net)	(2.74)	(0.87)
Net gain on Investment carried at fair value through profit and loss	(54.02)	(2.27)
Fair value gain/ loss on contingent consideration	92.09	-
Allowance/ Write off of Doubtful Debts (net of reversal)	(4.63)	(7.81)
Allowance for Doubtful Advances (net of reversal)	0.69	0.14
Allowance for Unbilled Revenue	-	2.89
Allowance for Slow/ Non-moving Inventory/ (Written back) - (net)	(0.75)	1.95
Liabilities/ Provisions no longer required written back	(0.55)	(1.61)
Unrealised Foreign Exchange Gain (net)	25.35	(6.01)
Share Based Payments	225.60	124.98
Operating cash flows before working capital changes	**3,176.17**	**3,049.25**
Working Capital Adjustments		
(Decrease)/ Increase in Trade Payables	(36.36)	192.73
(Decrease)/ Increase in Other Non Current Financial Liabilities	(22.88)	-
(Decrease)/ Increase in Other Current Liabilities	(103.88)	50.65
(Decrease)/ Increase in Other Current Financial Liabilities	889.75	(140.10)
(Decrease)/ Increase in Short-Term Provisions	41.47	(57.36)
(Increase)/ Decrease in Trade Receivables	(417.55)	(149.15)
(Increase)/ Decrease in Inventories	4.91	9.82
(Increase)/ Decrease in Other Non Current Assets	(0.38)	15.26
(Increase)/ Decrease in Other Current Assets	(46.32)	(8.78)
(Increase)/ Decrease in Other Current Financial Assets	(1,242.62)	264.93
(Increase)/ Decrease in Other Non Current Financial Assets	(1.09)	4.18
Net cash flow generated from operations before tax	**2,241.22**	**3,231.43**
Direct Tax- (paid including TDS)/ refund received (net)	(624.56)	(465.77)
Net Cash flow generated from operating activities (A)	**1,616.66**	**2,765.66**
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment (including Capital Work-in-progress, internally developed intangibles and Capital Advances)	(406.58)	(189.63)
Proceeds from sale of property, plant and equipment	7.07	-
(Placement) / Encashment of Fixed Deposits from Banks (Net)	1,307.21	(1,434.93)
(Placement) / Encashment of Deposits with / from other Financial Institutions (Net)	151.00	972.78
Proceeds from sale of mutual funds	122.46	46.50
Purchase of mutual funds	(2,051.38)	(141.49)
Payment towards acquisition of businesses (Refer Note 38)	(1,803.84)	(40.83)
Expenses in relation to acquisition of business (Refer Note 22)	(94.56)	-
Expenses in relation to scheme of arrangement (Refer Note 22)	(9.08)	(0.30)
Interest received	123.92	123.16
Net Cash flows generated from Investing activities (B)	**(2,653.78)**	**(664.74)**

NIIT Learning Systems Limited

(Formerly Known as Mindchampion Learning Systems Limited)

Consolidated Statement of Cash Flows for the year ended March 31, 2023

(All Amounts in Rs. Million, unless otherwise stated)

	March 31, 2023	March 31, 2022
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Payment of lease liabilities	(38.87)	(61.24)
Repayment of long term borrowings	1,089.62	(129.25)
Interest paid	(31.20)	(4.35)
Dividend paid to equity share holders of the Holding Company	-	(743.64)
Net Cash flow used in from Financing activities (C)	**1,019.55**	**(938.48)**
Net Increase in cash & cash equivalents (A) + (B) + (C)	**(17.57)**	**1,162.44**
Adjustment on account of Foreign Exchange Fluctuations	46.09	48.58
Cash and Cash equivalents as at the beginning of the year (Note 1)	2,531.18	1,320.16
Cash and cash equivalents as at the end of the year	**2,559.70**	**2,531.18**

Notes: Reconciliation of cash and cash equivalents as per the cash flow statement

1) Particulars	March 31, 2023	March 31, 2022
Composition of Cash and cash equivalents included in the statement of cash flows comprise of the following balance sheet amounts:		
Cash and cash equivalents as per the balance sheet [Refer note 7(iv)]	2,559.70	2,531.18
Cash and cash equivalents as at the end of the year	**2,559.70**	**2,531.18**

2) Figures in parenthesis indicate cash outflow.

3) The Consolidated Statement of Cash Flows has been prepared using the indirect method as set out in Ind AS 7.

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No.: 101049W/E300004

For and on behalf of the Board of Directors of NIIT Learning Systems Limited

Sanjay Bachchani
Partner
Membership No. 400419

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Place: Gurugram
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Sapnesh Kumar Lalla
Executive Director &
Chief Executive Officer
DIN - 06808242

Sanjay Mal
Chief Financial Officer

Deepak Bansal
Company Secretary

Place: Gurugram
Date: May 29, 2023

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

1 Corporate Information

NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited), (' the Company') was set up in 2001 and was involved in the research and development activities for the purpose of discovering the extent to which poor children in rural and slum areas in India can access and learn from web based curriculum using a purpose built 'Internet Kiosk'. Pursuant to the Scheme of Arrangement, the CLG Business Undertaking of NIIT Limited got transferred to the Company.

Pursuant to the transfer, the Company helps leading companies across 30 countries transform their learning ecosystems while increasing the business value of learning. Trusted by the world's leading companies, NIIT MTS provides high-impact managed learning solutions that weave together the best of learning theory, technology, operations, and services to enable a thriving workforce.

The Company has comprehensive suite of Managed Training Services includes Custom Content and Curriculum Design, Learning Delivery, Learning Administration, Strategic Sourcing, Learning Technology, and L&D consulting services. The company also offers specialized solutions including immersive learning, customer education, talent pipeline as a service, DE&I training, digital transformation and IT training as well as leadership and professional development programs.

The registered place of business of the Company is Plot No. 85, Sector - 32, Institutional Area, Gurugram - 122001 (Haryana) India. During the previous year, the name of the Company has been changed from "Mindchampion Learning Systems Limited" to "NIIT Learning Systems Limited" w.e.f. January 18, 2022 vide certificate of incorporation issued by Ministry of Corporate Affairs, Government of India.

2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the period presented, unless otherwise stated.

a) Basis of preparation

(i) Compliance with Ind AS

These consolidated financial statements ('financial statements') have been prepared in accordance with the Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules as amended from time to time by the Ministry of Corporate Affairs ('MCA').

The financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and division II of schedule III of the Companies Act 2013. Further, for the purpose of clarity, various items are aggregated in the statement of profit and loss and balance sheet. Nonetheless, these items are dis-aggregated separately in the notes to the consolidated financial statements, where applicable or required. All the amounts included in the financial statements are reported in Millions of Indian Rupees ('Rupees' or 'Rs.') and are rounded to the nearest Million, within two decimals, except per share data and unless stated otherwise.

Reference in these consolidated financial statements to "the Group" shall mean to include NIIT Learning Systems Limited and its subsidiaries, consolidated in these financial statements, unless otherwise stated.

(ii) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:
a) financial assets and liabilities (including derivative instruments) are measured at fair value or amortised cost.
b) defined benefit plans – plan assets measured at fair value.
c) share-based payments (ESOP's) are measured at fair value.

b) Basis of consolidation

(i) The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 March each year. Control is achieved when the Company:

• has the power over the investee;
• is exposed, or has rights, to variable returns from its involvement with the investee; and
• has the ability to use its power to affects its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

• the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
• potential voting rights held by the Company, other vote holders or other parties;
• rights arising from other contractual arrangements; and
• any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.
All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non- controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable Ind ASs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 when applicable, or the cost of initial recognition of an investment in an associate or a joint venture.

(ii) Associate: Associate is the entity over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associate is accounted for using the equity method of accounting (see (iii) below), after initially being recognised at cost.

(iii) **Equity method :** Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment.

(iv) Changes in ownership interests : The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(v) Pursuant to the Scheme of Arrangement, these Consolidated Financial Statements have been prepared for the first time. (refer note 37)

c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (Rs.), which is the Group's presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the consolidated statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit and loss on a net basis within other gains/ (losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(iii) Foreign operations

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

- All resulting exchange differences are recognised in other comprehensive income

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

d) Current - non-current classification

Assets and liabilities are classified into current and non-current as follows:

Assets

An asset is classified as current when it satisfies any of the following criteria:

• it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
• it is held primarily for the purpose of being traded;
• it is expected to be realised within 12 months after the reporting period; or
• it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current assets include the current portion of non-current financial assets. All other assets (including deferred tax assets) are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

• it is expected to be settled in the Group's normal operating cycle;
• it is held primarily for the purpose of being traded;
• it is due to be settled within 12 months after the reporting period; or
• the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities (including deferred tax liabilities) are classified as non-current.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non-current.

e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, discounts and taxes.

When two or more revenue generating activities or deliverables are provided under a single arrangement, each deliverable that is considered to be a separate deliverable is accounted separately. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling prices. Where the standalone selling prices are not directly observable, these are estimated based on expected cost plus margin or residual method to allocate the total transaction price. In cases of residual method, the standalone selling price is estimated by reference to the total transaction price less the sum of the observable standalone selling prices of other goods or services promised in the contract.

Services are provided under time and material contracts and fixed price contracts. Revenue from providing services is recognised over a period of time in the accounting period in which services are rendered. The revenue from time and material contracts is recognised at the amount to which the Group has right to invoice.

In respect of fixed price contracts, revenue is recognised based on the technical evaluation of utilization of services as per the proportionate completion method when no significant uncertainty exists regarding the amount of consideration that will be determined from rendering the service. The customer pays the fixed amount based on a payment schedule. If the services rendered by the Company exceed the payment, a contract asset is recognised. If the payment exceed the services rendered, a contract liability is recognised. Revenue from training is recognised over the period of delivery. The foreseeable losses on completion of contract, if any, are provided for.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increase or decrease in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known to management.

On certain contracts, where the Company acts as agent, only commission and fees receivable for services rendered are recognised as revenue. Any third party costs incurred on behalf of the principal that are rechargeable under the contractual arrangement are not included in revenue.

Revenue in respect of sale of courseware and other physical deliverables is recognised at a point in time when these are delivered, the legal title is passed and the customer has accepted the courseware and other physical deliverables.

In other cases, where courseware is not considered a separate component under a contract, revenue from the composite course is recognised over the period of the training or the contract period, depending upon the terms and conditions.

Revenue for providing Technical Information and Reference Material (TIRM) to the business partners is recognised over the period of the contract.

f) Other Income

(i) Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(ii) Dividend income

It is recognised when the right to receive dividend is established.

g) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

The CEO & CFO of the Holding Company are considered as chief operating decision makers who assess the financial performance and position of the Group, and make strategic decisions.

h) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period on systematic basis to cover the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

i) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

The current income tax expense includes income taxes payable by the Company, its branches and its subsidiaries in India and overseas. The current tax payable by the Company and its subsidiaries in India is Indian income tax payable on worldwide income after taking credit for tax relief available.

The current income tax expense for overseas subsidiaries has been computed based on the tax laws applicable to each subsidiary in the respective jurisdiction in which it operates.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax is recognised on any unrealised profits/losses arising from intra-group transactions

j) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

(ii) Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

k) Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against Goodwill/capital reserve. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

l) Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:
• those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
• those measured at amortised cost.
The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

Amortised Cost : Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of the contractual cash flows and for selling the financial assets, where the asset's cash flow represents solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(iii) Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVOCI, trade receivables and contract assets, financial guarantee contracts, and certain other financial assets measured at amortised cost such as deferred consideration receivable on disposal of subsidiaries. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group recognises lifetime expected credit losses (ECL) for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

• The Group has transferred the rights to receive cash flows from the financial asset or

• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

m) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown as borrowings in current liabilities in the balance sheet.

n) Trade receivables

Trade receivables are recognised initially at fair value and subsequently adjusted for expected credit loss using the effective interest method.

o) Inventories

Traded goods are stated at the lower of cost or net realisable value. Cost of traded goods comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis weighted-average. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

p) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

For the purpose of hedge accounting, hedges are classified as:

• Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;

• Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

(i) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

Forward contracts are used to hedge forecast transactions, the group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in other comprehensive income in cash flow hedging reserve within equity. The change in the forward element of the contract that relates to the hedged item ('aligned forward element') is recognised within other comprehensive income in the costs of hedging reserve within equity. In some cases, the Group may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

(ii) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in the statement of profit or loss.

(iii) Derivatives that are not designated as hedges

The group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other gains/(losses).

q) Property, plant and equipment

The Group had applied for the one-time transition exemption of considering the carrying cost on the transition date i.e. April 01, 2016 as the deemed cost under IND AS, regarded thereafter as historical cost.

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows :

Description of Assets	Useful Life
Plant and Equipments including:	
- Computers, Printers and related accessories	3 Years
- Computer Servers and Networks	5 Years
- Electronic Equipments	8 Years
- Air Conditioners	10 Years
Office Equipments	5 Years
Furniture, Fixtures & Electric Fittings	7 Years
Leasehold Improvements	3-5 years or lease period, whichever is lower
All other assets (including Vehicles)	Lives prescribed under Schedule II to the Companies Act, 2013

Depreciation is provided on a pro-rata basis on the straight-line method over the useful lives of the assets. The depreciation charge for each period is recognised in the Statement of Consolidated Profit and Loss. The residual values is considered as nil.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.
An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within income/ (expense).

r) Intangible Assets

Computer software, Educational content/products - Acquired
These Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Education content/products-Internally generated
Expenditure on research activities is recognised as an expense in the period in which it is incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

• it is technically feasible to complete the development so that it will be available for use;
• management intends to complete the content/products and use or sell it;
• there is an ability to use or sell the content/products;
• it can be demonstrated how the content/products will generate probable future economic benefits;
• adequate technical, financial and other resources to complete the development and to use or sell the content/products are available, and

• the expenditure attributable to the software during its development can be reliably measured.
Directly attributable costs that are capitalised as part of the intangible include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Goodwill
Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Brand, Consultant's Pool and Customer Relationships
Brand, Consultant's Pool and Customer Relationships acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortization and impairment losses except the brand of Life Science Business, which is infinite.

Amortisation methods and periods
Intangible assets are amortised on a straight line basis over their estimated useful lives which are as follows:

Particulars	**Useful Life**
a) Internally Generated (Content and products) - School based non - IT content - Others	 10 Years 3-5 Years
b) Acquired (Software, contents and products)	3-5 Years
c) Patents	3-5 Years
d) Brand	10 Years
e) Consultant's Pool	7 Years
f) Customer Relationships	4 Years

s) Impairment testing of goodwill and intangible assets
Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Group's cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Group's units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

Other assets including brand are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

t) Trade and other payables
These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

u) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

v) Borrowings cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

w) Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Group recognizes any impairment loss on the assets associated with that contract.

x) Employee benefits

I. Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

II. Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

III. Post-employment obligations

The group operates the following post-employment schemes:

- Defined benefit plans such as Gratuity and Compensated absences
- Defined contribution plan such as Provident fund, Superannuation fund, Pension fund, National Pension System, and Overseas plans.

Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in Rs. is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the consolidated statement of changes in equity and in the consolidated balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Compensated absences

Liability in respect of compensated absences is provided for both encashable leave and those expected to be availed. The Group has defined benefit plans for compensated absences for employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using projected unit credit method. Any gain or loss arising out of such valuation is recognised in the Consolidated Statement of profit and loss as income or expense as the case may be.

Accumulated compensated absences, which are expected to be availed within twelve months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected undiscounted cost of accumulated compensated absences expected to be availed based on the unutilised entitlement at the year end.

Provident fund

The Group makes contribution to the "NIIT LIMITED EMPLOYEES' PROVIDENT FUND TRUST" for certain entities in India, which is a defined benefit plan to the extent that the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Group's obligation in this regard is actuarially determined using projected unit credit method and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

The Group's contribution towards Provident Fund is charged to Consolidated Statement of Profit and Loss.

For employees of the entities not covered above, provident fund contributions are made to the Regional Provident Fund Commissioner in accordance with the Employee Provident Fund Rules and are accounted as defined contribution plans and charged to Consolidated Statement of Profit and Loss.

Superannuation fund

The Group makes defined contribution to the Trust established for the purpose by the Holding company towards superannuation fund maintained with Life Insurance Corporation of India. The Group has no further obligations beyond its monthly contributions. Contribution made during the year is charged to Consolidated Statement of Profit and Loss.

Pension fund

The Group makes defined contribution to a government administered pension fund towards it's pension plan on behalf of its employees. The Group has no further obligations beyond its monthly contributions. The contribution towards Employee Pension Scheme is charged to Consolidated Statement of Profit and Loss.

Overseas Plans

In respect of the subsidiaries incorporated outside India, the subsidiaries make defined contributions on a monthly basis towards the respective retirement plans which are charged to Consolidated Statement of Profit and Loss. These subsidiaries have no further obligation towards the respective retirement benefits.

National Pension System

The Group makes defined contribution towards National Pension System for certain employees for which Group has no further obligation. Contributions made during the year are charged to Consolidated Statement of Profit and Loss.

y) Share based payments - Employee stock option plan (ESOP)

The fair value of options granted under the 'NIIT Employee Stock Option Plan 2005' is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

z) Share capital

Equity share capital

Issuance of ordinary shares are recognised as equity share capital in equity. Incremental costs directly attributable to the issuance of new equity shares are recognised as a deduction from equity, net of any tax effects.

a) Dividends

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

The Company declares and pays dividends in Indian rupees. Companies are required to pay/distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

ab) Earnings per share

i. Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Group by the weighted average number of equity shares outstanding during the financial year.

ii. Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

• the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

• the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

ac) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, In the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to/ by the Group.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net asset value.

Level 2: The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The Group measures financial instruments, such as, investments (other than investment in subsidiaries), at fair value at each reporting date.

ad) Critical accounting estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Information about significant areas of estimation/uncertainty and judgements in applying accounting policies that have the most significant effect on the financial statements are as follows:

Measurement of defined benefit obligations: key actuarial assumptions- refer notes 2 x.
Measurement of useful life and residual values of property, plant and equipment -refer note 2 q.
Judgement required to determine grant date fair value technique -refer notes 2 y and 25.
Fair value measurement of financial instruments - refer notes 2 ac and 26.
Judgement required to determine probability of recognition of deferred tax assets - refer note 2 i.
There are no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

ae) Exceptional items

Exceptional items refer to items of income or expense within the income statement that are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance for the period.

Materiality threshold can be used to select items to be disclosed as exceptional on case to case basis. This threshold would be applied separately for standalone as well as consolidated financial statements. However, in case an item qualifies for disclosure in standalone financial statements but not in consolidated financial statements or vice versa, this would need to be evaluated on case to case basis.

Basis the above analysis, mainly following items would be evaluated for disclosure as exceptional items:

a) Business Combination: Impact of one-time accounting policy alignment / unusual write off / impairment of assets arising as a result of business combination, including transaction cost.

b) Fair valuation gains on business combination.

c) Reassessment / Change in life of asset (in case of re-evaluation of business/product, impact of all assets specific to that business/product to be considered for applying the threshold).

d) Disputed regulatory / tax levies including tax rate change having retrospective impact (other than impact on account of restatement of deferred tax asset / liability for tax rate change) – only impact for the past periods to be disclosed as exceptional.

e) Provision for other than temporary diminution in the value of non-current investment.

f) Shareholders' dispute settlement arising out of merger / acquisition transactions.

g) Write-downs of inventories to net realisable value or of property, plant and equipment to recoverable amount, as well as reversals of such write-downs.

h) Restructurings of the activities of an entity and reversals of any provisions for the costs of restructuring.

In case of other significant item of income or expense, not covered above, the same would be evaluated on a case to case basis for disclosure under exceptional items.

NIIT Learning Systems Limited

(Formerly Known as Mindchampion Learning Systems Limited)

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

3 Property, Plant and Equipment

(All Amounts in Rs. Million, unless otherwise stated)

Particulars	Plant & Equipments	Leasehold Improvements	Furniture & Fixtures	Vehicles	Office Equipments	Total Tangible Assets
Year ended March 31, 2022						
Gross carrying amount						
Opening gross carrying amount	-	-	-	-	-	-
Pursuant to Scheme of Arrangement (Refer note 37)	**325.22**	**69.48**	**47.21**	**3.05**	**18.16**	**463.12**
Additions	54.17	-	-	15.73	-	**69.90**
Disposals	36.23	6.70	3.44	0.18	0.15	**46.70**
Exchange differences	9.01	0.14	0.12	(0.02)	0.03	**9.28**
Closing gross carrying amount (A)	**352.17**	**62.92**	**43.89**	**18.58**	**18.04**	**495.60**
Accumulated depreciation						
Opening accumulated depreciation	-	-	-	-	-	-
Pursuant to Scheme of Arrangement (Refer note 37)	**243.44**	**68.77**	**32.02**	**2.38**	**12.41**	**359.02**
Depreciation charged during the year	48.74	0.42	4.08	0.58	2.35	**56.17**
Disposals	35.11	6.55	2.33	0.18	0.13	**44.30**
Exchange differences	1.72	0.15	0.07	(0.02)	0.03	**1.95**
Closing accumulated depreciation (B)	**258.79**	**62.79**	**33.84**	**2.76**	**14.66**	**372.84**
Net carrying amount (A-B)	**93.38**	**0.13**	**10.05**	**15.82**	**3.38**	**122.76**
Year ended March 31, 2023						
Gross Carrying amount						
Opening gross carrying amount	**352.17**	**62.92**	**43.89**	**18.58**	**18.04**	**495.60**
Acquired through business combination (refer note 38)	10.34	-	-	-	-	**10.34**
Additions	103.52	34.50	112.10	39.35	27.01	**316.48**
Disposals	57.22	21.58	26.57	-	0.93	**106.30**
Exchange differences	4.75	1.39	0.91	(0.01)	0.14	**7.18**
Closing gross carrying amount (C)	**413.56**	**77.23**	**130.33**	**57.92**	**44.26**	**723.30**
Accumulated Depreciation						
Opening accumulated depreciation	**258.79**	**62.79**	**33.84**	**2.76**	**14.66**	**372.84**
Acquired through business combination (refer note 38)	9.29	-	-	-	-	**9.29**
Depreciation charged during the year	60.92	8.90	9.48	7.37	3.14	**89.81**
Disposals	56.44	21.58	23.17	-	0.89	**102.08**
Exchange differences	3.22	0.32	0.15	(0.01)	0.08	**3.76**
Closing accumulated depreciation (D)	**275.78**	**50.43**	**20.30**	**10.12**	**16.99**	**373.62**
Net carrying amount (C-D)	**137.78**	**26.80**	**110.03**	**47.80**	**27.27**	**349.68**

NIIT Learning Systems Limited

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Notes to the Consolidated Financial Statements for the year ended March 31, 2023

4 Other Intangible Assets, Goodwill and Intangible assets under development

(All Amounts in Rs. Million, unless otherwise stated)

Particulars	Internally Generated (footnote i)	Software Acquired	Brand [Refer note 4(a)]	Consultant's Pool	Customer Relationships	Total Intangibles Assets other than Goodwill and Intangible assets under development	Goodwill [Refer note 4(a)]	Intangible assets under development (footnote i)	Total Intangible Assets
Year ended March 31, 2022									
Gross carrying amount									
Opening gross carrying amount	-	-	-	-	-	**-**	-	-	**-**
Pursuant to Scheme of Arrangement (Refer note 37)	1,839.37	20.44	88.53	-	-	**1,948.34**	331.78	41.90	**2,322.02**
Additions	37.28	-	-	-	-	**37.28**	-	19.90	**57.18**
Disposals	2.60	2.71	-	-	-	**5.31**	-	-	**5.31**
Transfer	-	-	-	-	-	**-**	-	(37.28)	**(37.28)**
Exchange differences	53.06	0.19	3.31	-	-	**56.56**	12.39	-	**68.95**
Closing gross carrying amount (A)	**1,927.11**	**17.92**	**91.84**	**-**	**-**	**2,036.87**	**344.17**	**24.52**	**2,405.56**
Accumulated amortisation and impairment									
Opening accumulated amortisation and impairment	-	-	-	-	-	**-**	-	-	**-**
Pursuant to Scheme of Arrangement (Refer note 37)	998.11	18.68	-	-	-	**1,016.79**	-	-	**1,016.79**
Amortisation charge during the year	311.35	1.01	-	-	-	**312.36**	-	-	**312.36**
Impairment charge during the year	-	-	-	-	-	**-**	-	-	**-**
Disposals	2.60	2.71	-	-	-	**5.31**	-	-	**5.31**
Exchange differences	25.79	0.15	-	-	-	**25.94**	-	-	**25.94**
Closing accumulated amortisation and impairment (B)	**1,332.65**	**17.13**	**-**	**-**	**-**	**1,349.78**	**-**	**-**	**1,349.78**
Net carrying amount (A-B)	**594.46**	**0.79**	**91.84**	**-**	**-**	**687.09**	**344.17**	**24.52**	**1,055.78**
Year ended March 31, 2023									
Gross carrying amount									
Opening gross carrying amount	**1,927.11**	**17.92**	**91.84**	**-**	**-**	**2,036.87**	**344.17**	**24.52**	**2,405.56**
Acquired through business combination (refer note 38)	-	3.59	224.63	101.96	365.19	**695.37**	4,002.05	-	**4,697.42**
Additions	119.03	0.08	-	-	-	**119.11**	-	212.61	**331.72**
Disposals	-	0.11	-	-	-	**0.11**	-	-	**0.11**
Transfer	-	-	-	-	-	**-**	-	(119.03)	**(119.03)**
Exchange differences	12.86	0.30	5.72	(0.82)	(2.93)	**15.13**	(3.96)	-	**11.17**
Closing gross carrying amount (C)	**2,059.00**	**21.78**	**322.19**	**101.14**	**362.26**	**2,866.37**	**4,342.26**	**118.10**	**7,326.73**
Accumulated Amortisation and Impairment									
Opening accumulated amortisation and impairment	**1,332.65**	**17.13**	**-**	**-**	**-**	**1,349.78**	**-**	**-**	**1,349.78**
Acquired through business combination (refer note 38)	**-**	3.59	**-**	**-**	**-**	**3.59**	**-**	**-**	**3.59**
Amortisation charge during the year	286.14	0.74	8.98	5.82	36.49	**338.17**	-	-	**338.17**
Disposals	-	0.11	-	-	-	**0.11**	-	-	**0.11**
Exchange differences	12.96	0.26	-	-	(0.02)	**13.20**	-	-	**13.20**
Closing accumulated amortisation and impairment (D)	**1,631.75**	**21.61**	**8.98**	**5.82**	**36.47**	**1,704.63**	**-**	**-**	**1,704.63**
Net carrying amount (C-D)	**427.25**	**0.17**	**313.21**	**95.32**	**325.79**	**1,161.74**	**4,342.26**	**118.10**	**5,622.10**

Note

(i) Refer Note 5 for cost incurred during the year on internally generated intangible assets.

(ii) Subsequent to the fair valuation of assets and liabilities pertaining to acquisition, the group recognised intangible assets (Brand, Consultant's Pool and Customer Relationships) basis the fair valuation report obtained by the Group. The amortization has been carried out based on useful lives assessed by the Group.

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(All Amounts in Rs. Million, unless otherwise stated)

Reconciliation of Depreciation and Amortisation charged to Consolidated Statement of Profit and Loss	**March 31, 2023**	**March 31, 2022**
(i) Depreciation on Property, plant and equipment	89.81	56.17
(ii) Amortisation on Intangible assets	338.17	312.36
(iii) Depreciation on Right-of-use assets (Refer note 6)	43.35	54.31
Depreciation/ Amortisation recognised in Consolidated Statement of Profit and Loss	**471.33**	**422.84**

4(a) Impairment testing of goodwill and other intangible assets having indefinite useful lives

For impairment testing, goodwill is allocated to a Cash Generating Unit (CGU) representing the lowest level within the Group at which goodwill is monitored for internal management purposes, and which is not higher than the Group's operating segment. Goodwill is tested for impairment at least annually in accordance with the Group's procedure for determining the recoverable value of each CGU.

The following table sets out the net carrying amount of goodwill & brand (having indefinite useful lives) allocated to CGUs:

Particulars	**St. Charles Consulting Group**	**Life Sciences Practice**		**Total**
	Goodwill	**Goodwill**	**Brand**	
As at March 31, 2023	3,969.92	372.34	99.36	**4,441.62**
As at March 31, 2022	-	344.17	91.84	**436.01**

The recoverable amount of the CGU is determined on the basis of discounted cash flows (DCF). The DCF of the CGU is determined based on estimation of the cash flows, the Group is expected to generate in next five years projections approved by the senior management.

St. Charles Consulting Group

The recoverable amount of the St. Charles Consulting Group has been determined based on a value in use calculation using cash flow projections approved by senior management. Based on which, it was concluded that the recoverable amount exceeds the carrying value. As a result of this analysis, the Group has not recognised any impairment charge against goodwill in the consolidated statement of profit and loss for the year ended March 31, 2023.

Life Sciences Practice

The recoverable amount of the Life Science Practice CGU has been determined based on a value in use calculation using cash flow projections approved by senior management. Based on which, it was concluded that the recoverable amount exceeds the carrying value. As a result of this analysis, the Group has not recognised any impairment charge against goodwill and brand in the consolidated statement of profit and loss for the year ended March 31, 2023.

Key Assumptions used in calculations of impairment testing:

i) Discount rates - Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Assumptions of discount rates used in impairment testing is as under:

CGU Unit	**March 31, 2023**	**March 31, 2022**
St. Charles Consulting Group	9.50%	NA
Life Sciences Practice	9.50%	6.56%

A rise in the pre-tax discount rate by 5% in the respective CGUs would not result in any impairment of assets as there is sufficient headroom.

ii) Growth rate estimates – Rates are based on published industry research. Management recognises that the possibility of new entrants can have a significant impact on growth rate assumptions. The effect of new entrants is not expected to have an adverse impact on the forecasts.

Assumptions of growth rates used in impairment testing is as under:

CGU Unit	**March 31, 2023**	**March 31, 2022**
St. Charles Consulting Group	3%	NA
Life Sciences Practice	3%	3%

A reduction by 5% in the long-term growth rate in the respective CGUs would not result in any impairment.

NIIT Learning Systems Limited (All Amounts in Rs. Million, unless otherwise stated)

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

5 The Group is internally developing new software tools, platforms and content/ courseware. The investments would further expand the business of the Group in existing and new markets, enhance capabilities of its products and software and offer more technology based learning products/ solutions to the customers in future. The Group is confident of its ability to generate future economic benefits out of the above mentioned assets. The costs incurred towards the development is as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening Balance	**24.52**	**-**
Pursuant to Scheme of Arrangement (Refer note 37)	-	**41.90**
Add:-Expenses capitalised during the year		
Salary and other employee benefits (Refer note 18)	88.88	11.66
Professional & technical outsourcing expenses	103.62	3.54
Other expenses (Refer note 20)	20.11	4.70
Less:-Intangible assets capitalised during the year	(119.03)	(37.28)
Closing Balance	**118.10**	**24.52**

Ageing of projects

Project in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
March 31, 2023	93.58	19.44	5.08	-	**118.10**
March 31, 2022	19.44	5.08	-	-	**24.52**

(All Amounts in Rs. Million, unless otherwise stated)

6 Leases

6(i) The following are the amounts recognised in the statement of profit and loss for short term leases:

The Group has entered into leases for office premises, employee accommodations, equipments which are cancelable at the option of the Group by giving the requisite notice. Aggregate payments during the year under short term leases are as shown hereunder:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
In respect of Premises*	20.46	23.70
In respect of Equipments**	14.50	33.60
In respect of Vehicles	0.86	2.05
	35.82	**59.35**

* Includes payment in respect of premises for office and employee accommodation.

** Includes payment in respect of computers, printers and other equipments.

6(ii) Right-of-use assets/ (Lease Liabilities)

The following are the carrying amount of right-of-use assets recognised and movement during the year :

Particulars	Building	Vehicle	Total
As at April 1, 2021			
Pursuant to Scheme of Arrangement (Refer note 37)	**174.24**	**9.06**	**183.30**
Additions/Modification	-	3.11	3.11
Deletion	(80.90)	-	(80.90)
Depreciation	(50.09)	(4.22)	(54.31)
Translation difference	(14.12)	-	(14.12)
As at March 31, 2022	**29.13**	**7.95**	**37.08**
Acquired through business combination (refer note 38)	10.51	-	10.51
Additions/Modification	115.21	-	115.21
Deletion	(7.36)	(0.24)	(7.60)
Depreciation	(39.19)	(4.16)	(43.35)
Translation difference	8.48	-	8.48
As at March 31, 2023	**116.78**	**3.55**	**120.33**

The following are the carrying amount of Lease liabilities and movement during the year :

Particulars	Total
As at April 1, 2021	-
Pursuant to Scheme of Arrangement (Refer note 37)	196.12
Additions/Modification	2.12
Deletion	(88.63)
Accretion of interest	5.43
Payments	(61.24)
Translation difference	(16.06)
As at March 31, 2022	**37.74**
Acquired through business combination (refer note 38)	10.95
Additions/Modification	115.22
Deletion	(7.60)
Accretion of interest	4.40
Payments	(38.87)
Translation difference	8.46
As at March 31, 2023	**130.30**

The following is the break-up of current and non-current lease liabilities :

Particulars	March 31, 2023	March 31, 2022
Lease liabilities (Non-current)	99.53	7.88
Lease liabilities (Current)	30.77	29.86
Total liabilities	**130.30**	**37.74**

The following are the amounts recognised in Consolidated Statement of Profit and Loss:

Particulars	March 31, 2023	March 31, 2022
Depreciation expense	43.35	54.31
Interest expense on lease liabilities (Refer note 19)	4.40	5.43
Gain on termination of lease assets (Net) (Refer note 17)	(0.14)	(11.10)
Total	**47.61**	**48.64**

There are only fixed rental payable as per the terms of the contracts.

The table below provides details regarding the contractual maturities of lease liabilities :

Particulars	March 31, 2023	March 31, 2022
Less than one year	30.77	29.86
One to Two years	31.21	5.39
More than Two years	68.32	2.49
Total Amount	**130.30**	**37.74**

(All Amounts in Rs. Million, unless otherwise stated)

7 Financial Assets

7(i) Investment

	As at March 31, 2023 (Current)	As at March 31, 2022 (Current)
Carried at Fair Value through statement of profit and loss [Quoted]		
Investment in Mutual Funds*	2,127.13	144.19
Carried at amortised cost [Unquoted]		
Investment in term deposits with Financial Institution	699.00	850.00
	2,826.13	**994.19**
***Market Value of Quoted Investments**	**2,127.13**	**144.19**

7(ii) Trade Receivables

	As at March 31, 2023 (Current)	As at March 31, 2022 (Current)
Unsecured, considered good	2,155.36	1,394.30
Unsecured - credit impaired	291.00	290.70
Less: Allowance for doubtful debts [Refer note 27(A)]	(291.00)	(290.70)
	2,155.36	**1,394.30**

(i) Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

(ii) Refer note 13(i) for assets pledged.

Ageing of trade receivables as at March 31, 2023*

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	1,462.98	548.36	3.93	79.63	60.46	-	2,155.36
Undisputed Trade Receivables – credit impaired	-	-	0.04	5.34	77.02	208.60	291.00
Total	**1,462.98**	**548.36**	**3.97**	**84.97**	**137.48**	**208.60**	**2,446.36**
Less: Allowance for doubtful debts							(291.00)
Total							**2,155.36**

Ageing of trade receivables as at March 31, 2022*

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	105.84	1,266.59	10.02	7.82	4.03	-	1,394.30
Undisputed Trade Receivables – credit impaired	-	-	-	-	24.33	266.37	290.70
Total	**105.84**	**1,266.59**	**10.02**	**7.82**	**28.36**	**266.37**	**1,685.00**
Less: Allowance for doubtful debts							(290.70)
Total							**1,394.30**

* There are no disputed trade receivables

7(iii) Other financial assets

	March 31, 2023 Non Current	March 31, 2022 Non Current	March 31, 2023 Current	March 31, 2022 Current
a) **Security Deposits**				
Unsecured, considered good	5.68	4.19	0.81	0.42
Unsecured, considered doubtful	0.81	0.81	-	-
Less: Allowance for doubtful deposits	(0.81)	(0.81)	-	-
	5.68	**4.19**	**0.81**	**0.42**
b) **Contract Assets - Unbilled Revenue**				
Unsecured, considered good (Refer note 16.1)	-	-	817.09	761.28
Unsecured, considered doubtful	-	-	2.89	2.89
Less: Provision for doubtful unbilled revenue	-	-	(2.89)	(2.89)
	-	**-**	**817.09**	**761.28**
c) **Interest Receivable**				
Interest Accrued on bank and other deposits	1.32	0.31	30.26	71.67
d) **Derivative Asset [Refer note 27 (D)]**	-	-	-	16.20
e) **Other Receivables**	-	-	1,714.88	463.06
f) **Bank deposits**				
With remaining maturity of more than 12 months*	20.01	20.01	-	-
With remaining maturity of less than 12 months	-	-	90.33	629.00
Total	**27.01**	**24.51**	**2,653.37**	**1,941.63**

*Deposit of Rs. 20.01 Million (Previous year Rs. 20.01 Million) pledged as margin money with bank for issuance of bank guarantees.

(All Amounts in Rs. Million, unless otherwise stated)

Ageing of unbilled revenue from transaction date as at March 31, 2023*

Particulars	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Unbilled revenue - considered good	800.01	17.08	-	-	-	817.09
Undisputed Unbilled revenue - credit impaired	-	-	-	-	2.89	2.89
Total	**800.01**	**17.08**	**-**	**-**	**2.89**	**819.98**
Less: Allowance for doubtful unbilled revenue						**(2.89)**
Total						**817.09**

Ageing of unbilled revenue from transaction date as at March 31, 2022*

Particulars	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Unbilled revenue - considered good	761.28	-	-	-	-	761.28
Undisputed Unbilled revenue - credit impaired	-	-	-	-	2.89	2.89
Total	**761.28**	**-**	**-**	**-**	**2.89**	**764.17**
Less: Allowance for doubtful unbilled revenue						(2.89)
Total						**761.28**

* There are no disputed unbilled revenue

7(iv) Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
	Current	
Balance with banks		
-Current Accounts	2,559.70	2,531.18
	2,559.70	**2,531.18**

7(v) Bank Balances other than above

	As at March 31, 2023	As at March 31, 2022
Bank deposits		
-With original maturity of more than 3 months and upto 12 months*	225.91	994.45
	225.91	**994.45**

*Deposits are made with banks for varying periods, depending on the immediate cash requirements of the Group and to earn interest at the respective term deposit rates.

(All Amounts in Rs. Million, unless otherwise stated)

8 Tax Assets (Net)

8(i) Deferred tax assets/ liabilities

	As at March 31, 2023	As at March 31, 2022
Deferred Tax Assets		
The balance comprises temporary differences attributable to:		
Tax impact of difference between carrying amount of property, plant and equipments and Intangible assets in the financial statements and as per Income Tax	10.79	51.95
Difference between carrying value of right of use of assets and lease liabilities as per Ind AS 116 in the financial statements and as per the Income Tax	2.51	0.08
Provision for employee benefits	65.76	62.83
Provision for doubtful debts, unbilled revenue and others	54.54	30.04
Carry forward losses	52.40	-
Others	3.40	-
Total deferred tax assets (A)	**189.40**	**144.90**
Deferred Tax Liabilities		
Unrealised gain on investment marked to market	(11.71)	-
Others	(0.01)	-
Total deferred tax liabilities (B)	**(11.72)**	**-**
Net deferred tax assets (A-B)	**177.68**	**144.90**
Deferred tax assets recognised in Consolidated Balance Sheet	191.71	160.28
Deferred tax liabilities recognised in Consolidated Balance Sheet	(14.03)	(15.38)

(a) Deferred Tax Assets and Liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.
(b) Deferred Tax Asset on brought forward losses has been recognised to the extent of availability of probable future taxable income to set off the losses.

Movement in Deferred Tax Assets/ (Liabilities)

Movement in deferred tax assets / (liabilities) (net)	Property, Plant and Equipments and Intangibles Assets	Provision for Emloyee Benefits	Provision for doubtful debts, unbilled revenue and others	Others including unabsorbed business losses and unrealized gain	Right-of-use assets/ (Lease Liabilities)	Total
As at April 1, 2021	-	-	-	-	-	-
Pursuant to Scheme of Arrangement (Refer note 37)	**52.97**	**61.62**	**32.00**	**-**	**1.83**	**148.42**
(charged)/credited:						
- to profit or loss	(0.47)	(11.49)	(3.08)	-	(1.82)	(16.86)
- to other comprehensive income	-	12.31	-	-	-	12.31
- Exchange differences	(0.55)	0.39	1.12	-	0.07	1.03
As at March 31, 2022	**51.95**	**62.83**	**30.04**	**-**	**0.08**	**144.90**
(charged)/credited:						
- to profit or loss	(40.10)	10.71	24.41	40.66	2.33	38.01
- to other comprehensive income	-	(8.79)	-	-	-	(8.79)
- Exchange differences	(1.06)	1.01	0.09	3.42	0.10	3.56
As at March 31, 2023	**10.79**	**65.76**	**54.54**	**44.08**	**2.51**	**177.68**

Note :

a) Deferred tax assets and liabilities have been determined by applying the income tax rates of respective countries. Deferred tax assets and liabilities in relation to taxes payable under different tax jurisdictions have not been offset in consolidated financial statements.

b) Pursuant to Scheme of Arrangement, the Holding Company has reassessed utilization of absorption plan of timing differences including carry forward business losses and recognised Deferred Tax Assets accordingly.

8(ii) Income Tax Assets/ (Liabilities)(net)

	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Taxes recoverable	**Non Current**		**Current**	
Advance Income Tax	148.52	232.71	331.37	158.15
Less : Provision for Income Tax	(24.29)	(225.06)	(407.62)	(338.11)
	124.23	**7.65**	**(76.25)**	**(179.96)**

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(All Amounts in Rs. Million, unless otherwise stated)

		As at			
9	**Other Assets**	**March 31, 2023**	**March 31, 2022**	**March 31, 2023**	**March 31, 2022**
		Non Current		**Current**	
i)	**Capital Advances**				
	Unsecured, considered good	8.90	59.07	-	-
		8.90	**59.07**	**-**	**-**
ii)	**Advances recoverable in cash or in kind**				
	Unsecured, considered good	0.75	1.06	201.35	151.47
	Unsecured, considered doubtful	-	-	0.03	0.08
	Less: Allowance for doubtful advances	-	-	(0.03)	(0.08)
		0.75	**1.06**	**201.35**	**151.47**
iii)	**Balances with Government Authorities (net)**	-	-	0.94	1.86
		-	**-**	**0.94**	**1.86**
		9.65	**60.13**	**202.29**	**153.33**

		As at	
10	**Inventories**	**March 31, 2023**	**March 31, 2022**
	As at the end of the year		
	Stock-in-trade		
	Education and Training Material*	1.26	5.42
		1.26	**5.42**
	As at the beginning of the year		
	Stock-in-trade		
	Education and Training Material*	5.42	17.20
		5.42	**17.20**
	(Increase)/ Decrease in Inventories	**4.16**	**11.78**

* Net of provision for non-moving inventories of Rs. 21.32 Million (Previous year - Rs. 22.07 Million).

(All Amounts in Rs. Million, unless otherwise stated)

11 Share Capital [Refer note 37]

a) Authorised Share Capital

Particulars	Number of shares	Amount
As at April 1, 2021 (Equity shares of Rs. 10 each)	**120,000,000**	**1,200.00**
Addition during the year	-	-
As at March 31, 2022 (Equity shares of Rs. 10 each)	120,000,000	1,200.00
Authorised Share Capital reclassified/reorganised by reducing the face value of equity shares to Rs. 2 (Rupees Two only pursuant to Scheme of Arrangement)	600,000,000	1,200.00
Addition during the year	-	-
As at March 31, 2023 (Equity shares of Rs. 2 each)	**600,000,000**	**1,200.00**

Pursuant to the Scheme of Arrangement, the authorised share capital of the Company got reclassified/reorganized from 120,000,000 equity shares of Rs. 10/- each aggregating to Rs. 1,200 Million to 600,000,000 equity shares of Rs. 2/- each aggregating to Rs. 1,200 Million by reducing the face value of equity shares from Rs. 10/- to Rs. 2/- each.

b) Movement in Equity Share Capital

Subscribed and paid up share capital	Equity Shares	
	Number of Shares	Amount
As at April 1, 2021 (Equity shares of Rs. 10 each)	**115,564,072**	**1,155.64**
Issued during the year	**-**	**-**
As at March 31, 2022 (Equity shares of Rs. 10 each)	**115,564,072**	**1,155.64**
Cancelled pursuant to Scheme of Arrangement	(115,564,072)	(1,155.64)
Share Suspense Account		
Shares to be issued pursuant to Scheme of Arrangement (Equity shares of Rs. 2 each) (Refer note 37)	134,564,360	269.14
As at March 31, 2023 (Equity shares of Rs. 2 each)	**134,564,360**	**269.14**

c) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend (excluding interim dividend) proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Shares reserved for issue under options

Information relating to Employee Stock Option Plan, including details of options issued, granted, exercised and lapsed during the financial year and options outstanding at the end of the reporting period/ year, is set out in Note 25.

e) Details of Shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% of holding	Number of shares	% of holding
NIIT Limited *	-	-	115,564,072	100.00%
Rajendra Singh Pawar as Trustee of Pawar Family Trust	22,445,644	16.68%	-	-
Vijay Kumar Thadani as Trustee of Thadani Family Trust	22,994,229	17.09%	-	-
Nippon Life India Trustee Ltd - A/c Nippon India Small Cap Fund	11,095,416	8.25%	-	-
Massachusetts Institute of Technology	7,741,830	5.75%	-	-
Total	**64,277,119**	**47.77%**	**115,564,072**	**100.00%**

*Six Equity Shares were registered in the names of individuals, the beneficial interest of which lied with NIIT Limited.

(All Amounts in Rs. Million, unless otherwise stated)

Details of shares held by Promoter and Promoter Group

As at March 31, 2023

Particulars	No. of shares at the beginning of the year *	Change during the year	No. of shares at the end of the year *	% of Total Shares	% change during the year
Promoters					
NIIT Limited*	115,564,072	(115,564,072)	-	0.00%	(100.00%)
Rajendra Singh Pawar	-	155,000	155,000	0.12%	100.00%
Vijay Kumar Thadani	-	155,000	155,000	0.12%	100.00%
Promoter Group					
Rajendra Singh Pawar as Trustee of Pawar Family Trust	-	22,445,644	22,445,644	16.68%	100.00%
Vijay Kumar Thadani as Trustee of Thadani Family Trust	-	22,994,229	22,994,229	17.09%	100.00%
Arvind Thakur	-	566,829	566,829	0.42%	100.00%
Neeti Pawar and Rajendra Singh Pawar	-	427,326	427,326	0.32%	100.00%
Urvashi Pawar	-	56,250	56,250	0.04%	100.00%
Unnati Pawar	-	56,242	56,242	0.04%	100.00%
Udai Pawar	-	7,500	7,500	0.01%	100.00%
R S Pawar HUF	-	2,527	2,527	0.00%	100.00%
V K Thadani HUF	-	2,527	2,527	0.00%	100.00%
Renu Kanwar and Vandana Katoch	-	2,339	2,339	0.00%	100.00%
Santosh Dogra	-	1,687	1,687	0.00%	100.00%
Renuka Vijay Thadani and Vijay Kumar Thadani	-	1,000	1,000	0.00%	100.00%
Kailash K Singh and Yogesh Singh	-	750	750	0.00%	100.00%
Janki Jamwal and Neeti Pawar	-	652	652	0.00%	100.00%
Janki Jamwal and Pramod Singh Jamwal	-	562	562	0.00%	100.00%
Janki Jamwal and Keerti Katoch	-	562	562	0.00%	100.00%
Rasina Uberoi	-	15,464	15,464	0.01%	100.00%
Rubika Vinod Chablani	-	1,687	1,687	0.00%	100.00%

* Shares to be issued pursuant to the Scheme of Arrangement [Refer note 37]

As at March 31, 2022

Particulars	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Promoters					
NIIT Limited *	115,564,072	-	115,564,072	100.00%	0.00%

*Six Equity Shares were registered in the names of nominee individuals, the beneficial interest of which lied with NIIT Limited.

NIIT Learning Systems Limited

(Formerly Known as Mindchampion Learning Systems Limited)

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(All Amounts in Rs. Million, unless otherwise stated)

12 Other Equity

Particulars	As at March 31, 2023	As at March 31, 2022
Reserves and surplus [refer note 12(i)]		
Capital Reserve	3.30	-
Employees Stock Option Outstanding	306.12	149.50
Retained Earnings	6,687.98	3,815.50
	6,997.40	**3,965.00**
Other reserves [refer note 12(ii)]		
Hedging Reserve Account	(10.24)	8.29
Foreign Currency Translation Reserve	446.58	322.99
	436.34	**331.28**
Total other equity	**7,433.74**	**4,296.28**

12(i) Reserves and Surplus

		As at March 31, 2023		As at March 31, 2022	
a)	**Capital Reserve**				
	Opening Balance	-		-	
	Created upon Capital Reduction pursuant to the Scheme of Arrangement (Refer note 37)	3.30	3.30	-	-
b)	**Employees Stock Option Outstanding**				
	Opening Balance	149.50		-	
	Pursuant to the Scheme of Arrangement (Refer note 37)	-		85.36	
	Share Based Payments (Refer note 25)	225.60		124.98	
	Adjustment pursuant to the Scheme of Arrangement (Refer note 37)	(68.98)	306.12	(60.84)	149.50
c)	**Retained Earnings**				
	Opening Balance	3,815.50		(1,147.94)	
	Capital Reduction pursuant to the Scheme of Arrangement (Refer note 37)	1,152.34		-	
	Transferred pursuant to the Scheme of Arrangement (Refer note 37)	-		3,708.79	
	Current year profit attributable to Shareholders	1,922.17		2,020.58	
	Dividend (Refer note 31)	-		(743.64)	
	Other Comprehensive Profit/ (Loss) (net of tax)	26.11		(36.15)	
	Share capital to be issued Pursuant to Scheme of Arrangement (Equity shares of Rs. 2 each) (Refer note 37)	(269.14)		-	
	Adjustment pursuant to the Scheme of Arrangement (Refer note 37)	41.00	6,687.98	13.86	3,815.50
	Total Reserves and Surplus		**6,997.40**		**3,965.00**

12(ii) Other Reserves

		As at March 31, 2023		As at March 31, 2022	
a)	**Hedging Reserve Account (Cash flow Hedge) [refer footnote i]**				
	Opening Balance	8.29		-	
	Pursuant to the Scheme of Arrangement (Refer note 37)	-		9.75	
	Impact of restatement of derivative on Receivables	(18.53)	(10.24)	(1.46)	8.29
b)	**Foreign Currency Translation Reserve (refer footnote ii)**				
	Opening Balance	322.99		-	
	Pursuant to the Scheme of Arrangement (Refer note 37)	-		274.70	
	Increase / (Decrease) during the year on translation of balances	123.59	446.58	48.29	322.99
	Total Other Reserves		**436.34**		**331.28**

Footnotes :

(i) The group uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecasted transactions, i.e., revenue, as described in Note 27. The group uses Foreign Currency Forward Contracts which are designated as Cash Flow Hedges for hedging foreign currency risk. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the Cash Flow Hedging Reserve. Amount recognised in the Cash Flow Hedging Reserve is reclassified to Consolidated Profit or Loss when the hedged item effects profit and loss, i.e., Revenue.

(ii) Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity.

(All Amounts in Rs. Million, unless otherwise stated)

		As at			
13	**Financial Liabilities**				
13(i)	**Borrowings**	**March 31, 2023**	**March 31, 2022**	**March 31, 2023**	**March 31, 2022**
		Non Current		**Current Maturities**	
	A) Secured				
	Term Loans from Banks:				
	Foreign Currency Term Loans#	916.34	-	242.26	48.52
	Sub Total (A)	**916.34**	**-**	**242.26**	**48.52**
	B) Unsecured				
	Deferred payment liabilities	-	-	-	31.85
	Sub Total (B)	**-**	**-**	**-**	**31.85**
	Total (A+B)	**916.34**	**-**	**242.26**	**80.37**

#Details of interest rate security given against Loans

i) ICICI Bank Canada has sanctioned a Term loan of CAD 4.00 Million & Revolving credit facility of CAD 1.00 Million at floating rate of 3 Month CDOR with spread of 100 bps applicable through full maturity of the loan to NIIT Learning Solutions (Canada) Limited, first level step down subsidiary of NIIT Learning Systems Limited. The said credit facilities are secured by Corporate Guarantee from NIIT Limited of CAD 5.00 Million & secured by way of first & exclusive charge over all the fixed assets and current assets (including brands, patents, intangibles, investments in group companies) of the NIIT Learning Solutions (Canada) Limited (both present and future). The current outstanding as on March 31, 2023 for Term Loan is Nil (Previous year CAD 0.80 Million) and Revolving credit facility is Nil. During the Current Financial Year, these credit facilities were surrendered, and Corporate Guarantee issued earlier was also closed.

ii) ICICI Bank UK Plc has sanctioned the Overdraft and Working Capital Demand Loan (WCDL) facilities for an aggregate value of up to GBP 4.00 Mn. The said credit facilities are secured by Corporate Guarantee from NIIT Limited of GBP 4.20 Million & secured by way of first & exclusive charge over all the fixed assets and current assets (including brands, patents, intangibles, investments in group companies) of the NIIT UK Limited (both present and future). The current outstanding as on March 31, 2023 for Overdraft Facility is Nil (Previous year is Nil) and WCDL Facility is Nil (Previous year is Nil).

Terms of Repayment

Overdraft Facility is repayable on demand and WCDL Facility is repayable within 120 days from the drawdown date.

iii) NIIT USA Inc, a wholly owned subsidiary of NIIT Learning Systems Limited, has availed Term loan for USD 15.00 Million at floating rate of 3M CME Term SOFR with spread of 185 bps from ICICI Bank Limited (New York Branch) for the purpose of acquisition of St. Charles Consulting Group. The said loan is secured by way of first & exclusive charge over all the fixed assets and current assets (including brands, patents, intangibles, investments in group companies) of the NIIT USA Inc and St. Charles Consulting Group (both present and future). The current outstanding as on March 31, 2023 for Term Loan is USD 14.25 Million (Previous year nil) [Rs. 1158.60 Million net of expenses in relation to the borrowing].

Terms of repayment

Term Loan for USD 15.00 Million (Outstanding as at March 31, 2023 USD 14.25 Million, Previous year : Nil) is repayable in 20 quarterly equated installments of USD 0.75 Million each, having first installment due on March 31, 2023 and last installment due on December 31, 2027.

The Group has not defaulted in any of the debt covenants prescribed in the terms of bank loan. There are no defaults as on reporting date in repayment of principal and interest.

(All Amounts in Rs. Million, unless otherwise stated)

Financial Liabilities (Contd..)

13(ii) Trade Payables

	As at March 31, 2023	As at March 31, 2022
	Current	
Trade payables*	1,006.48	882.47
	1,006.48	**882.47**

*Includes dues of micro enterprises and small enterprises amounting to Rs. 26.15 Million (Previous year Rs. 21.34 Million).

Trade payables are non-interest bearing and are normally settled on 45 day terms.

Ageing of trade payables as at March 31, 2023*

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed outstanding dues of micro enterprises and small enterprises	26.15	-	-	-	-	**26.15**
Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	424.44	81.54	16.96	0.07	14.93	**537.94**
Sub Total	**450.59**	**81.54**	**16.96**	**0.07**	**14.93**	**564.09**
Unbilled dues						**442.39**
Total						**1,006.48**

Ageing of trade payables as at March 31, 2022*

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed outstanding dues of micro enterprises and small enterprises	21.34	-	-	-	-	**21.34**
Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	29.77	93.89	73.59	0.24	15.28	**212.77**
Sub Total	**51.11**	**93.89**	**73.59**	**0.24**	**15.28**	**234.11**
Unbilled dues						**648.36**
Total						**882.47**

* There are no disputed trade payables

13(iii) Other Financial Liabilities

	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Non-current		Current	
Interest accrued but not due on borrowings	-	-	0.21	0.03
Derivative liabilities [Refer note 27(D)]	-	-	23.71	-
Contingent consideration payable (Refer note 38)	2,037.85	-	889.13	-
Other Payables *	-	-	2,427.29	1,477.83
	2,037.85	**-**	**3,340.34**	**1,477.86**

* Includes capital creditors, payable to employees and payable on account of Strategic sourcing.

14 Provisions

	As at March 31, 2023	As at March 31, 2022
	Current	
Provision for Employee Benefits :		
-Provision for Gratuity (Refer note 24)	127.49	128.04
-Provision for Compensated Absences	137.09	129.82
Other Provisions	0.63	-
	265.21	**257.86**

15 Other Liabilities

	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Non-current		Current	
Contract Liabilities (Refer note 16.1)				
Deferred Revenue	-	-	928.03	672.37
Advances from Customers	-	-	125.58	189.55
Payable to Government Authorities (net)	-	-	138.78	69.61
Statutory Dues*	-	-	144.40	167.60
	-	**-**	**1,336.79**	**1,099.13**

*Statutory dues mainly includes withholding taxes and contribution to provident fund etc.

(All Amounts in Rs. Million, unless otherwise stated)

		Year ended	
16	**Revenue From Operations**	**March 31, 2023**	**March 31, 2022**
	Sale of products : Courseware	25.94	28.22
	Sale of Services	13,604.08	11,312.34
	Less : Discounts & Rebates	(12.15)	(17.32)
		13,617.87	**11,323.24**

16.1 Disclosure under Ind AS - 115 (Revenue from contracts with customers)

a. Disaggregated revenue information

Type of Services		
Sale of Courseware and Training Material	25.94	28.22
Sale of Services	13,591.93	11,295.02
	13,617.87	**11,323.24**
Timing of revenue recognition		
Goods (Courseware, Training Material) transferred at a point in time	25.94	28.22
Services transferred over time	13,591.93	11,295.02
	13,617.87	**11,323.24**

b. Contract Balances

Trade Receivables [Refer note 7(ii)]	2,155.36	1,394.30
Contract Assets [Refer note 7(iii)]	817.09	761.28
Contract Liabilities (Refer note 15)	(1,053.61)	(861.92)

Trade receivables are non-interest bearing and are generally on terms of 30 - 90 days. A sum of Rs. (4.63) Million (Previous year Rs. (7.81) Million) is recognised as allowance for doubtful debts (net of reversal) on trade receivables during the year.

Unbilled revenues are billed in a terms of 30 - 90 days.
The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.
A receivables is right to consideration that is unconditional upon passage of time.
Revenue for ongoing services at the reporting date yet to be invoiced is recorded as unbilled revenue.

c. Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:

	Year ended	
	March 31, 2023	**March 31, 2022**
Revenue as per contracted price	13,630.02	11,340.56
Adjustments		
Discount	(12.15)	(17.32)
	13,617.87	**11,323.24**

d. Performance obligation and remaining performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. As on March 31, 2023, there were no remaining performance obligation as the same is satisfied upon delivery of goods/services.

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

		Year ended	
17	**Other Income**	**March 31, 2023**	**March 31, 2022**
	Interest income		
	- Deposits with banks & other financial institutions	83.25	105.41
	- Unwinding of interest on security deposit	0.21	0.12
	- Others	0.27	1.11
	Net gain on investment carried at fair value through profit and loss	54.02	2.27
	Provision / Other liabilities written back	0.55	1.61
	Gain on disposal of property, plant and equipment and intangible assets (net)	2.74	-
	Gain on termination of lease assets (net)	0.14	11.10
	Gain on foreign currency translation and transaction (net)	-	4.13
	Provision for doubtful debts written back	4.63	7.81
	Other non-operating income	5.00	5.83
		150.81	**139.39**

		Year ended	
18	**Employee Benefits Expenses#**	**March 31, 2023**	**March 31, 2022**
	Salary, wages and bonus	6,256.58	5,239.51
	Contribution to provident and other funds* (Refer note 24)	365.51	295.59
	Share based payments (Refer note 25)	225.60	124.98
	Staff welfare expenses	94.34	73.72
		6,942.03	**5,733.80**

Net of Rs. 88.88 Million (Previous year Rs. 11.66 Million) capitalised in intangible assets [refer note 5].

*There are numerous interpretative issues relating to the Supreme Court (SC) judgement on Provident fund dated February 28, 2019. As a matter of caution, the company has implemented the provisions on a prospective basis from the date of the SC order. The Company will assess its position, on receiving further clarity on the subject.

		Year ended	
19	**Finance Costs**	**March 31, 2023**	**March 31, 2022**
	Interest expense	32.38	4.72
	Interest on lease liabilities [refer note 6(ii)]	4.40	5.43
	Other borrowing costs	0.10	0.27
	Fair value loss on contingent consideration	92.09	-
		128.97	**10.42**

(All Amounts in Rs. Million, unless otherwise stated)

	Year ended	
20 Other Expenses*	**March 31, 2023**	**March 31, 2022**
Equipment Hiring [Refer note 6(i)]	14.50	33.60
Software Subscriptions	58.03	44.19
Royalties	0.04	-
Freight and Cartage	3.52	4.14
Rent [Refer note 6(i)]	21.32	25.75
Rates and Taxes	17.18	19.76
Power & Fuel	18.43	14.74
Communication	55.09	53.34
Legal and Professional	269.07	263.60
Travelling and Conveyance	167.56	35.97
Allowance for Doubtful Advances	0.69	0.14
Insurance	34.26	33.40
Repairs and Maintenance		
- Plant and Machinery	17.33	14.00
- Buildings	14.57	5.26
- Others	27.45	16.57
Consumables	18.89	21.08
Loss on Sale of Property, Plant and Equipments (Net)	-	0.87
Loss on foreign currency translation and transactions (net)	61.73	-
Security and Administration Services	12.53	7.19
Bank Charges	37.32	26.38
Marketing & Advertising Expenses	306.31	199.21
Sales Commission	2.75	2.83
Donation	0.40	-
Expenditure towards Corporate Social Responsibility (CSR) activities (Refer note 21)	15.30	5.70
Asset usage charges	22.78	24.83
Subscription and Membership	65.02	51.25
Sundry Expenses	17.85	14.41
	1,279.92	**918.21**

* Net of Rs. 20.11 Million (Previous year Rs. 4.70 Million) capitalised in intangible assets (refer note 5).

	Year ended	
21 Corporate Social Responsibility Expenditure*	**March 31, 2023**	**March 31, 2022**
a) Gross amount required to be spent by the Group during the year	15.25	5.60
b) Amount approved by the board to be spent during the year	15.30	5.70
c) Amount spent during the year:		
-Construction/acquisition of any asset	-	-
-On purposes other than above	15.30	5.70
d) Details of related party transactions in relation to CSR expenditure		
-Contribution to NIIT Institute of Information Technology	15.30	5.70
e) The amount of shortfall at the end of the year out of the amount required to be spent by the Group during the year	-	-
f) Total of previous years shortfall	-	-
g) Reason for above shortfall	-	-
h) Nature of CSR activities:	Education (Grant of Scholarship to meritorious students at NIIT University during the financial year 2022-23 & 2021-22)	

* The CSR related compliances were done by NIIT Limited, however the entire amount was allocated to CLG Business Undertaking pursuant to Scheme of Arrangement (Refer note 37).

(All Amounts in Rs. Million, unless otherwise stated)

	Year ended	
22 Exceptional Items	**March 31, 2023**	**March 31, 2022**
Legal and professional cost towards acquisition (refer notes 38 & 39)	(153.94)	-
Legal and professional cost towards scheme of arrangement (refer note 37)	(31.98)	(0.30)
	(185.92)	**(0.30)**

23 Tax expense

	Year ended	
Particulars	**March 31, 2023**	**March 31, 2022**
Current tax		
Current tax on profits for the year	404.76	569.84
Adjustments for tax relating to earlier years	(4.61)	14.76
Foreign tax paid for branches (FTC)	0.56	-
Total current tax	**400.71**	**584.60**
Deferred tax		
Decrease/ (Increase) in deferred tax assets	(38.01)	16.86
Total deferred tax charge/ (credit)	**(38.01)**	**16.86**
Total tax expense	**362.70**	**601.46**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	**Year Ended**	
	March 31, 2023	**March 31, 2022**
Profit before tax	2,284.87	2,622.04
Tax at the Indian tax rate of 25.17% for FY 2022-23 and 25.17% for FY 2021-22	**575.10**	**659.97**
Adjustments for:		
Expenditure towards CSR to the extent disallowable	4.92	1.43
Tax impact of Deferred Tax not recognised on account of prudence	(3.17)	(15.88)
Taxes relating to earlier years	(4.61)	14.76
Tax provision (reversal) / expense in Foreign Territories to the extent not allowed to be set off	0.56	(7.02)
Withholding taxes on dividend repatriation not available to be set off	-	41.47
Effect due to difference in tax rates	0.15	0.25
Tax Impact of Adjustments due to Scheme of Arrangement	(263.19)	(7.18)
Tax Impact of other adjustments	52.94	(86.34)
Income tax expense	**362.70**	**601.46**

(All Amounts in Rs. Million, unless otherwise stated)

24 Employee Benefits

A) Defined Contribution Plans

The Group makes contribution towards Provident Fund (other than NIIT Limited and certain other domestic subsidiaries), Superannuation Fund and Pension Scheme to the defined contribution plans for eligible employees.

The Group has charged the following costs in Contribution to Provident and Other Funds in the Consolidated Statement of Profit and Loss:-

	Year ended	
Particulars	**March 31, 2023**	**March 31, 2022**
Employers' Contribution to Provident Fund & Other Fund	137.66	100.90
Employers' Contribution to Superannuation Fund	15.82	14.63
Employers' Contribution to Employees Pension Scheme	118.80	107.86
Employers' Contribution to Employee National Pension System	2.72	1.73
Total	**275.00**	**225.12**

The Group has charged the following costs in Contribution to Other Funds in the Consolidated Statement of Profit and Loss for Key Management Personnel:

	Year ended	
Particulars	**March 31, 2023**	**March 31, 2022**
Employers' Contribution to Superannuation Fund	0.30	0.23
Employers' Contribution to Employees Pension Scheme	0.05	0.02
Employers' Contribution to Employee National Pension System	0.15	0.09
Total	**0.50**	**0.34**

B) Defined Benefit Plans

I. Provident Fund

The Group makes contribution to the "NIIT LIMITED EMPLOYEES' PROVIDENT FUND TRUST" ("the Trust") [for NIIT Limited and certain other domestic subsidiaries]. The Group contributed Rs. 46.96 Million (Previous year Rs. 38.20 Million) including Rs. 0.32 Million (Previous year Rs. 0.24 Million) in respect of Key Management personnel during the year to the Trust.

The Group has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate. The Group's obligation in this regard is actuarially determined and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

The guidance on implementing Ind AS 19 Employee Benefits, issued by Accounting Standards Board (ASB) of The Institute of Chartered Accountants of India, states that benefits involving employer established provident fund trust, which require interest shortfall to be compensated by the employer is required to be considered as Defined Benefits Plans. The actuary has provided a valuation and based on the below mentioned assumptions, determined that there is no short fall as at March 31, 2023.

The details of fund and plan assets of the Trust as at March 31, 2023 (limited to the extent provided by the actuary):

(i) Change in Defined Benefit Obligation	As at	
Particulars	**March 31, 2023**	**March 31, 2022**
Present Value of Defined Benefit Obligation as at the beginning of the year	1,596.06	1,449.64
Current service cost	66.58	54.45
Acquisition cost	29.86	53.52
Interest Cost	109.29	92.25
Benefit paid	(165.09)	(151.33)
Employee Contribution	114.64	95.99
Actuarial loss on Obligations	15.56	1.54
Present Value of Defined Benefit Obligation as at the end of the year	**1,766.90**	**1,596.06**

(ii) Change in Fair Value of Assets

	As at	
Particulars	**March 31, 2023**	**March 31, 2022**
Fair value of Plan Assets as at the beginning of the year	1,816.73	1,665.19
Benefit paid	(165.09)	(151.33)
Employee Contribution	114.64	95.99
Acquisition Adjustment	29.86	53.52
Interest Income on Plan Assets	109.29	92.25
Return on plan assets greater/(lesser) than discount rate	(60.24)	6.66
Employers' Contribution	66.58	54.45
Fair value of Plan Assets as at the end of the year	**1,911.77**	**1,816.73**

(All Amounts in Rs. Million, unless otherwise stated)

(iii) Estimated Net Asset/ (Liability) recognised in the Balance Sheet :

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Present value of Defined Benefit Obligation	1,766.90	1,596.06
Fair Value of Plan Assets	1,911.77	1,816.73
Funded Status [Surplus/(Deficit)] with the trust	144.87	220.67
Net Asset/(Liability) recognised in the Balance Sheet	-	-

(iv) Assumptions used in accounting for provident Fund:-

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Discount Rate (Per Annum)	7.25%	6.75%
EPFO Rate	8.15%	8.10%
Expected return of exempt fund	7.75%	7.50%

v) Investment details of Plan Assets:-

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Government Securities	51.33%	60.81%
Debt Instruments	36.86%	32.50%
Equities	2.13%	1.06%
Short term Debt Instruments	9.68%	5.63%
Total	**100.00%**	**100.00%**

II. Gratuity Fund - Funded

A. Gratuity Funded

Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
i) Change in Present value of Obligation:-		
Present value of obligation as at beginning of the year	266.64	7.59
Transferred pursuant to composite scheme	-	195.41
Interest cost	18.82	12.36
Current service cost	34.70	25.79
Benefits paid	(11.72)	(21.00)
Acquisiton cost / (credit)	(0.14)	(0.06)
Actuarial loss on experience	(9.98)	5.03
Actuarial loss on financial assumption	(24.06)	41.52
Present value of obligation as at the year end	**274.26**	**266.64**

ii) Change in fair value of plan assets:-

Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Fair value of Plan Assets as at the beginning of the year	138.60	0.64
Transferred pursuant to composite scheme	-	48.19
Expected return on Plan Assets	9.97	5.88
Contributions	9.20	106.86
Acquisition adjustment	(0.14)	(0.06)
Benefits Paid	(11.72)	(21.00)
Return on plan assets greater / (lesser) than discount rate	0.86	(1.91)
Fair value of Plan Assets as at the end of the year	**146.77**	**138.60**

Estimated contributions for the year ended on March 31, 2024 is Rs. 127.49 Million (Previous year Rs. 128.03 Million).

iii) Amount of Asset/ (Liability) recognised in the Balance Sheet:-

Particulars	**Fair value of Plan Assets as at the end of the year**	**Present value of obligation as at the end of the year**	**Liability recognised in Balance Sheet**
As at March 31, 2023	146.77	274.26	(127.49)
As at March 31, 2022	138.60	266.64	(128.04)

(All Amounts in Rs. Million, unless otherwise stated)

iv) Net Gratuity Cost recognised in Consolidated Statement of Profit and Loss:-

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Current service cost	34.70	25.79
Net interest on net defined benefit liability / (asset)	8.85	6.48
Expense recognised in Consolidated Statement of Profit and Loss (under contribution to provident and other funds)	**43.55**	**32.27**

v) Gratuity Cost recognised through Other Comprehensive Income:-

Particulars	March 31, 2023	March 31, 2022
Actuarial (gain)/ loss - experience	(9.98)	5.03
Actuarial (gain)/ loss - financial assumptions	(24.06)	41.52
Return on plan assets (greater) / less than discount rate	(0.86)	1.91
Expense recognised through other comprehensive income	**(34.90)**	**48.46**

vi) Assumptions used in accounting for gratuity plan:-

Particulars	March 31, 2023	March 31, 2022
Discount Rate (Per Annum)	7.25%	6.75%
Future Salary Increase	10.00%	16% for next 2 years and 10% thereafter
Expected Rate of return on plan assets	7.37%	7.15%

Estimates of future salary increase considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

vii) Investment details of Plan Assets:-

The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme. The details of investment maintained by Life Insurance Corporation are not available with the Group and have not been disclosed.

The expected return on plan assets is determined considering several applicable factors mainly the compensation of plan assets held, assessed risk of asset management, historical result of the return on plan assets.

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
	March 31, 2023	March 31, 2023	March 31, 2023
Discount rate	0.50%	(10.86)	11.63
Salary growth rate	0.50%	11.17	(10.51)
Withdrawal rate	5.00%	(17.06)	18.55

Particulars	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
	March 31, 2022	March 31, 2022	March 31, 2022
Discount rate	0.50%	(10.68)	11.44
Salary growth rate	0.50%	10.75	(10.14)
Withdrawal rate	5.00%	(19.64)	20.03

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied for calculating the defined benefit liability recognised in the balance sheet.

Risk exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are market volatility, changes in inflation, changes in interest rates, rising longevity, changing economic environment, regulatory changes etc. The Group ensures that the investment positions are managed within an asset-liability matching framework that has been developed to achieve investments which are in line with the obligations under the employee benefit plans. Within this framework, the Group’s asset-liability matching objective is to match assets to the obligations by investing in securities to match the benefit payments as they fall due.

The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from employee benefit obligations. The Group has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that failure of any single investment should not have a material impact on the overall level of assets.

(All Amounts in Rs. Million, unless otherwise stated)

25 Share based payments

(a) Employee option plan

During the year 2005-06, NIIT Limited had established NIIT Employee Stock Option Plan 2005 "ESOP 2005" and the same was approved at the General Meeting of the Company held on May 18, 2005. The plan was set up so as to offer and grant, for the benefit of employees (excluding promoters) of the Company, who are eligible under "Securities and Exchange Board of India (SEBI) (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999", options of the Company in one or more tranches, and on such terms and conditions as may be fixed or determined by the Board, in accordance with the provisions of law or guidelines issued by the relevant authorities in this regard.

As per the plan, each option is exercisable for one equity share of face value of Rs. 2 each (Rs. 10 each pre bonus and split) fully paid up on payment to the Company, at a price to be determined in accordance with ESOP 2005. ESOP information is given for the number of shares after sub-division and Bonus issue.

Pursuant to Scheme of the Arrangement, with respect to the stock options granted already by the Transferor Company prior to the Effective Date to its employees or that of its subsidiaries (irrespective of whether they are employees of the Transferor Company or its subsidiaries or become employees of the Transferee Company or its subsidiaries pursuant to this Scheme) under the Existing ESOP Scheme, and upon the Scheme becoming effective, all such option holders (whether the options granted to such option holders are vested or not) shall also be issued the stock options by the Transferee Company under the New ESOP Scheme, in accordance with the share entitlement ratio of 1:1 as per the Scheme.

i) Summary of options granted under plan:

Particulars	March 31, 2023		March 31, 2022	
	Avg exercise price per share option*	Number of options	Avg exercise price per share option*	Number of options
Opening balance	103.95	7,188,894	50.89	5,637,204
Granted during the year	201.35	3,070,000	165.27	3,260,000
Exercised during the year	49.83	697,113	44.34	1,397,263
Forfeited/ Lapsed during the year	190.37	236,674	52.70	311,047
Closing balance	**137.87**	**9,325,107**	**103.95**	**7,188,894**
Vested and Exercisable		**3,846,773**		**2,778,894**

ii) Share options outstanding at the end of year have following expiry date and exercise prices:

Grant	Vests	Grant date	Vesting date	Expiry date	Exercise price*	Share options outstanding	
						March 31, 2023	March 31, 2022
Grant 10	Vest I	28-Aug-14	28-Aug-15	28-Aug-20	28.40	-	-
	Vest II	28-Aug-14	28-Aug-16	28-Aug-21	28.40	-	-
	Vest III	28-Aug-14	28-Aug-17	28-Aug-22	28.40	-	2
Grant 12	Vest I	24-Jun-15	24-Jun-16	24-Jun-21	23.75	-	-
	Vest II	24-Jun-15	24-Jun-17	24-Jun-22	23.75	-	45,000
	Vest III	24-Jun-15	24-Jun-18	24-Jun-23	23.75	50,000	146,844
Grant 13	Vest I	17-Jul-15	17-Jul-16	17-Jul-21	29.77	-	-
	Vest II	17-Jul-15	17-Jul-17	17-Jul-22	29.77	-	33,336
	Vest III	17-Jul-15	17-Jul-18	17-Jul-23	29.77	48,846	66,684
Grant 16	Vest I	16-Jun-16	16-Jun-17	16-Jun-22	47.56	-	13,332
	Vest II	16-Jun-16	16-Jun-18	16-Jun-23	47.56	13,332	13,332
	Vest III	16-Jun-16	16-Jun-19	16-Jun-24	47.56	13,338	20,672
Grant 17	Vest I	05-Feb-17	05-Feb-18	05-Feb-23	42.02	-	6,666
	Vest II	05-Feb-17	05-Feb-19	05-Feb-24	42.02	6,666	6,666
	Vest III	05-Feb-17	05-Feb-20	05-Feb-25	42.02	6,668	13,336
Grant 18	Vest I	23-Jun-17	23-Jun-18	23-Jun-23	52.84	63,332	140,664
	Vest II	23-Jun-17	23-Jun-19	23-Jun-24	52.84	123,664	207,330
	Vest III	23-Jun-17	23-Jun-20	23-Jun-25	52.84	179,340	233,340
Grant 19	Vest I	27-Jul-17	27-Jul-18	27-Jul-23	50.72	88,333	93,333
	Vest II	27-Jul-17	27-Jul-19	27-Jul-24	50.72	93,333	93,333
	Vest III	27-Jul-17	27-Jul-20	27-Jul-25	50.72	93,334	93,334
Grant 21	Vest I	25-Jun-18	25-Jun-19	25-Jun-24	54.89	115,000	120,000
	Vest II	25-Jun-18	25-Jun-20	25-Jun-25	54.89	115,000	140,000
	Vest III	25-Jun-18	25-Jun-21	25-Jun-26	54.89	115,000	140,000
Grant 22	Vest I	19-Jul-18	19-Jul-19	19-Jul-24	51.18	63,660	82,324
	Vest II	19-Jul-18	19-Jul-20	19-Jul-25	51.18	91,334	100,000
	Vest III	19-Jul-18	19-Jul-21	19-Jul-26	51.18	120,027	154,366
Grant 23	Vest I	23-Jan-19	23-Jan-20	23-Jan-25	53.46	-	-
	Vest II	23-Jan-19	23-Jan-21	23-Jan-26	53.46	-	20,000
	Vest III	23-Jan-19	23-Jan-22	23-Jan-27	53.46	20,000	50,000
Grant 24	Vest I	16-Jul-19	16-Jul-20	16-Jul-25	56.52	140,000	140,000
	Vest II	16-Jul-19	16-Jul-21	16-Jul-26	56.52	140,000	140,000
	Vest III	16-Jul-19	16-Jul-22	16-Jul-27	56.52	140,000	140,000
Grant 25	Vest I	10-Jul-20	10-Jul-21	10-Jul-26	53.89	345,000	385,000
	Vest II	10-Jul-20	10-Jul-22	10-Jul-27	53.89	425,000	425,000
	Vest III	10-Jul-20	10-Jul-23	10-Jul-28	53.89	425,000	425,000
Grant 26	Vest I	28-Sep-20	28-Sep-21	28-Sep-26	72.88	55,000	55,000
	Vest II	28-Sep-20	28-Sep-22	28-Sep-27	72.88	55,000	55,000
	Vest III	28-Sep-20	28-Sep-23	28-Sep-28	72.88	55,000	55,000
Grant 27	Vest I	07-Dec-20	07-Dec-21	07-Dec-26	99.45	-	25,000
	Vest II	07-Dec-20	07-Dec-22	07-Dec-27	99.45	25,000	25,000
	Vest III	07-Dec-20	07-Dec-23	07-Dec-28	99.45	25,000	25,000
Grant 28	Vest I	03-Jun-21	03-Jun-22	03-Jun-27	107.24	35,000	50,000
	Vest II	03-Jun-21	03-Jun-23	03-Jun-28	107.24	50,000	50,000
	Vest III	03-Jun-21	03-Jun-24	03-Jun-29	107.24	50,000	50,000
Grant 29	Vest I	18-Jun-21	18-Jun-22	18-Jun-27	150.86	356,666	356,666
	Vest II	18-Jun-21	18-Jun-23	18-Jun-28	150.86	356,666	356,666
	Vest III	18-Jun-21	18-Jun-24	18-Jun-29	150.86	356,668	356,668
Grant 30	Vest I	23-Aug-21	23-Aug-22	23-Aug-27	177.09	669,900	680,000
	Vest II	23-Aug-21	23-Aug-23	23-Aug-28	177.09	650,000	680,000
	Vest III	23-Aug-21	23-Aug-24	23-Aug-29	177.09	650,000	680,000
Grant 31	Vest I	19-Jul-22	19-Jul-23	19-Jul-28	201.36	736,666	-
Grant 31	Vest II	19-Jul-22	19-Jul-24	19-Jul-29	201.36	736,666	-
Grant 31	Vest III	19-Jul-22	19-Jul-25	19-Jul-30	201.36	736,668	-
Grant 32	Vest I	19-Jul-22	15-May-25	15-May-30	201.36	20,000	-
Grant 33	Vest II	19-Jul-22	23-Aug-25	23-Aug-30	201.36	640,000	-
Grant 34	Vest I	26-Aug-22	26-Aug-23	26-Aug-28	200.90	10,000	-
	Vest II	26-Aug-22	26-Aug-24	26-Aug-29	200.90	10,000	-
Grant 34	Vest III	26-Aug-22	26-Aug-25	26-Aug-30	200.90	10,000	-

* Adjusted pursuant to the Scheme of arrangement (Refer note 37)

(All Amounts in Rs. Million, unless otherwise stated)

iii) Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model as per an independent valuer's report, having taken into consideration the market price being the latest available closing price prior to the date of the grant, exercise price being the price payable by the employees for exercising the option and other assumptions as annexed below:

Grant	Vests	Market price*	Volatility	Average life of the option	Risk less interest rate	Dividend yield rate	Fair value*
Grant 10	Vest I	28.40	40.75%	3.50	8.78%	3.96%	8.85
	Vest II	28.40	39.51%	4.50	8.73%	3.96%	9.48
	Vest III	28.40	46.99%	5.50	8.70%	3.96%	11.29
Grant 12	Vest I	23.75	42.73%	3.50	7.95%	3.50%	7.68
	Vest II	23.75	41.13%	4.50	7.93%	3.50%	8.21
	Vest III	23.75	39.89%	5.50	7.92%	3.50%	8.60
Grant 13	Vest I	29.77	43.53%	3.50	7.79%	3.50%	9.71
	Vest II	29.77	41.89%	4.50	7.86%	3.50%	10.40
	Vest III	29.77	40.55%	5.50	7.90%	3.50%	10.89
Grant 16	Vest I	47.56	48.89%	3.50	7.52%	3.01%	17.30
	Vest II	47.56	45.98%	4.50	7.52%	3.01%	18.20
	Vest III	47.56	44.05%	5.50	7.52%	3.01%	18.94
Grant 17	Vest I	42.02	48.75%	3.50	6.41%	3.01%	14.77
	Vest II	42.02	45.93%	4.50	6.41%	3.01%	15.49
	Vest III	42.02	44.36%	5.50	6.41%	3.01%	16.15
Grant 18	Vest I	52.84	47.76%	3.50	6.45%	2.35%	19.11
	Vest II	52.84	46.09%	4.50	6.45%	2.35%	20.60
	Vest III	52.84	43.93%	5.50	6.45%	2.35%	21.47
Grant 19	Vest I	50.72	47.64%	3.50	6.45%	2.35%	18.30
	Vest II	50.72	45.78%	4.50	6.45%	2.35%	19.67
	Vest III	50.72	43.85%	5.50	6.45%	2.35%	20.01
Grant 21	Vest I	54.89	44.86%	3.50	7.80%	1.43%	21.00
	Vest II	54.89	47.55%	4.50	7.80%	1.43%	24.44
	Vest III	54.89	46.15%	5.50	7.80%	1.43%	26.12
Grant 22	Vest I	51.18	45.06%	3.50	7.77%	1.43%	19.62
	Vest II	51.18	47.63%	4.50	7.77%	1.43%	22.79
	Vest III	51.18	46.30%	5.50	7.77%	1.43%	24.38
Grant 23	Vest I	53.46	43.80%	3.50	7.53%	1.43%	19.97
	Vest II	53.46	45.29%	4.50	7.53%	1.43%	22.90
	Vest III	53.46	46.75%	5.50	7.53%	1.43%	25.42
Grant 24	Vest I	56.52	42.39%	3.50	6.53%	1.10%	20.43
	Vest II	56.52	44.87%	4.50	6.53%	1.10%	23.91
	Vest III	56.52	47.04%	5.50	6.53%	1.10%	26.90
Grant 25	Vest I	53.89	43.86%	3.50	5.82%	2.67%	17.50
	Vest II	53.89	42.96%	4.50	5.82%	2.67%	19.02
	Vest III	53.89	44.66%	5.50	5.82%	2.67%	21.03
Grant 26	Vest I	72.88	45.58%	3.50	6.00%	3.07%	23.89
	Vest II	72.88	43.43%	4.50	6.00%	3.07%	25.26
	Vest III	72.88	45.53%	5.50	6.00%	3.07%	27.99
Grant 27	Vest I	99.45	46.55%	3.50	5.92%	3.07%	33.07
	Vest II	99.45	44.09%	4.50	5.92%	3.07%	34.77
	Vest III	99.45	45.80%	5.50	5.92%	3.07%	38.24
Grant 28	Vest I	107.24	46.77%	3.50	6.01%	3.15%	35.70
	Vest II	107.24	45.32%	4.50	6.01%	3.15%	38.17
	Vest III	107.24	44.62%	5.50	6.01%	3.15%	40.28
Grant 29	Vest I	150.86	48.34%	3.50	6.01%	3.15%	51.58
	Vest II	150.86	46.57%	4.50	6.01%	3.15%	54.84
	Vest III	150.86	45.60%	5.50	6.01%	3.15%	57.59
Grant 30	Vest I	177.09	48.68%	3.50	6.23%	3.52%	59.85
	Vest II	177.09	47.25%	4.50	6.23%	3.52%	63.73
	Vest III	177.09	45.32%	5.50	6.23%	3.52%	65.59
Grant 31	Vest I	201.36	48.68%	3.50	6.23%	3.52%	75.79
Grant 31	Vest II	201.36	47.25%	4.50	6.23%	3.52%	80.26
Grant 31	Vest III	201.36	45.32%	5.50	6.23%	3.52%	83.27
Grant 32	Vest I	201.36	48.68%	3.50	6.23%	3.52%	82.92
Grant 33	Vest II	201.36	47.25%	4.50	6.23%	3.52%	83.38
Grant 34	Vest I	200.90	48.68%	3.50	6.23%	3.52%	74.78
Grant 34	Vest II	200.90	47.25%	4.50	6.23%	3.52%	79.34
Grant 34	Vest III	200.90	45.32%	5.50	6.23%	3.52%	82.38

* Adjusted pursuant to the Scheme of arrangement (Refer note 37)

(b) Expense arising from share-based payment transactions

Particulars	March 31, 2023	March 31, 2022
Expenses charged to Consolidated Statement of Profit and Loss during the year based on fair value of options	225.60	124.98

(All Amounts in Rs. Million, unless otherwise stated)

Financial instruments and risk management

26 Fair value measurements

(i) Fair value hierarchy

To provide indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard explained below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net asset value.

Level 2: The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:
- The use of quoted market prices for similar instruments.
- The fair value of forward foreign exchange contracts is determined using Mark to Market Valuation by the respective bank at the balance sheet date.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Financial instruments by category

	March 31, 2023					March 31, 2022				
Particulars	**FVTPL Level 1**	**FVTPL Level 2**	**FVTPL Level 3**	**FVOCI Level 2**	**Amortised cost**	**FVTPL Level 1**	**FVTPL Level 2**	**FVTPL Level 3**	**FVOCI Level 2**	**Amortised cost**
Financial assets										
Investments	2,127.13	-	-	-	699.00	144.19	-	-	-	850.00
Trade receivables	-	-	-	-	2,155.36	-	-	-	-	1,394.30
Cash and cash equivalents	-	-	-	-	2,559.70	-	-	-	-	2,531.18
Bank balances other than above	-	-	-	-	225.91	-	-	-	-	994.45
Other Financial Assets	-	-	-	-	2,680.38	-	-	-	-	1,949.94
Derivative assets	-	-	-	-	-	-	7.91	-	8.29	-
Total financial assets	**2,127.13**	**-**	**-**	**-**	**8,320.35**	**144.19**	**7.91**	**-**	**8.29**	**7,719.87**
Financial liabilities										
Borrowings	-	-	-	-	1,158.60	-	-	-	-	80.37
Lease liabilities	-	-	-	-	130.30	-	-	-	-	37.74
Trade payables	-	-	-	-	1,006.48	-	-	-	-	882.47
Other Financial Liabilities	-	-	-	-	2,427.50	-	-	-	-	1,477.86
Contingent Consideration	-	-	2,926.98	-	-	-	-	-	-	-
Derivative liabilities	-	13.47	-	10.24	-	-	-	-	-	-
Total financial liabilities	**-**	**13.47**	**2,926.98**	**10.24**	**4,722.88**	**-**	**-**	**-**	**-**	**2,478.44**

As of March 31, 2023 and March 31, 2022, the fair value of cash and bank balances, trade receivables, other financial assets and liabilities, borrowings, trade payables approximate their carrying amount largely due to the nature of these instruments.

(All Amounts in Rs. Million, unless otherwise stated)

Financial instruments and risk management (contd.)

27 Financial risk management

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include trade and other receivables, cash and short-term deposits that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The finance committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 2,155.36 Million and Rs. 1,394.30 Million as of March 31, 2023 and March 31, 2022 respectively and unbilled revenue amounting to Rs. 817.09 Million and Rs. 761.28 Million as of March 31, 2023 and March 31, 2022 respectively.
Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned through government customers and other corporate customers. The Group has used the expected credit loss model to assess the impairment loss or gain on trade receivables and unbilled revenue, and has provided it wherever appropriate. The following table gives the movement in allowance for expected credit loss for the year ended March 31, 2023:

Reconciliation of loss allowance provision

Particulars	Trade receivables	Unbilled Revenue
Loss allowance as on April 01, 2021	**298.51**	**2.89**
Less: Bad Debts/ Unbilled Revenue written off	-	-
Add: Provision for Expected credit loss	(7.81)	-
Loss allowance as on March 31, 2022	**290.70**	**2.89**
Less: Bad Debts/ Unbilled Revenue written off	4.93	-
Add: Provision for Expected credit loss	(4.63)	-
Loss allowance as on March 31, 2023	**291.00**	**2.89**

(B) Liquidity risk

The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group has outstanding borrowings as term loans and working capital limits from banks. The term loans are secured by a charge on the book debts and movable & immovable assets of the relevant entities. However, the Group believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

(i) Maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities:

Contractual maturities of financial liabilities :

Particulars	Less than 1 year	Between 1 and 2 years	More than 2 years	Total
March 31, 2023				
Borrowings	242.26	916.34	-	1,158.60
Trade payables	1,006.48	-	-	1,006.48
Other financial liabilities	3,316.63	2,037.85	-	5,354.48
Lease liabilities	30.77	31.21	68.32	130.30
Derivative Liabilities	23.71	-	-	23.71
	4,619.85	**2,985.40**	**68.32**	**7,673.57**
March 31, 2022				
Borrowings	80.37	-	-	80.37
Trade payables	882.47	-	-	882.47
Other financial liabilities	1,477.86	-	-	1,477.86
Lease liabilities	29.86	5.39	2.49	37.74
	2,470.56	**5.39**	**2.49**	**2,478.44**

(C) Market risk (All Amounts in Rs. Million, unless otherwise stated)

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments measured at FVTPL and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from the foreign currency term loan carrying at floating rate of interest. These obligations exposes the Group to cash flow interest rate risk. The Group has mitigated the interest rate risk on foreign currency term loan by converting it from floating rate to fixed rate through currency swap. Hence, there is no significant challenge of interest rate risk.

(ii) Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the SGD, USD, EUR, NOK, GBP, AUD and CHF. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (Rs.). The Group evaluates its exchange rate exposure arising from these transactions and enters into foreign exchange forward contracts to hedge forecasted cash flows denominated in foreign currency and mitigate such exposure.

The Group's exposure to foreign currency risk at the end of the reporting period expressed in Rs., are as follows

	As at	
	March 31, 2023	**March 31, 2022**
Financial assets		
Trade receivables & Bank balances		
SGD	66.29	66.78
USD	147.27	183.14
EUR	805.32	404.13
NOK	10.42	13.83
GBP	6.78	61.95
AUD	31.69	30.02
CHF	24.31	8.91
Net exposure to foreign currency risk (assets)	**1,092.08**	**768.76**
Financial liabilities		
Trade payables		
SGD	2.70	12.24
USD	95.11	70.76
EUR	180.15	81.33
NOK	1.73	1.85
GBP	12.79	8.40
AUD	17.50	9.97
CHF	5.47	1.48
Net exposure to foreign currency risk (liabilities)	**315.45**	**186.03**

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	**Impact on Profit and Loss for the year ended March 31, 2023**		**Impact on Profit and Loss for the year ended March 31, 2022**	
	Gain/ (Loss) on Appreciation	**Gain/ (Loss) on Depreciation**	**Gain/ (Loss) on Appreciation**	**Gain/ (Loss) on Depreciation**
1% appreciation / depreciation in Indian Rupees against following foreign currencies*:				
SGD	0.64	(0.64)	0.55	(0.55)
USD	0.52	(0.52)	1.12	(1.12)
EUR	6.25	(6.25)	3.23	(3.23)
NOK	0.09	(0.09)	0.12	(0.12)
GBP	(0.06)	0.06	0.54	(0.54)
AUD	0.19	(0.19)	0.22	(0.22)
CHF	0.19	(0.19)	0.07	(0.07)
Total	**7.82**	**(7.82)**	**5.85**	**(5.85)**

* Holding all other variables constant

SGD : Singapore Dollar, USD : United States Dollar, EUR : Euro, NOK : Norwegian Krone, GBP : Great Britain Pound Sterling, AUD : Austrian Dollar: CHF : Swiss Franc.

27 Financial risk management (Contd.)

(All Amounts in Rs. Million, unless otherwise stated)

(D) Impact of hedging activities

(a) Disclosure of effects of hedge accounting on financial position

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge Ratio*	Weighted average strike price/rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
March 31, 2023									
Foreign Exchange Risk									
Foreign exchange forward contracts	2,387.75	-	-	23.71	April 2023 to March 2024	1:1	Euro:- 89.64 USD:- 82.73 GBP:- 96.77 CAD:- 61.79	(18.53)	18.53
March 31, 2022									
Foreign Exchange Risk									
Foreign exchange forward contracts	1,438.96	-	16.20	-	April 2022 to March 2023	1:1	Euro:- 89.83 USD:- 77.77 GBP:- 104.43 CAD:- 61.31	(1.46)	1.46

*The foreign exchange forward are denominated in the same currency as the highly probable future sales, therefore the hedge ratio is 1:1. The entire amount of foreign currency loan (USD) is designated as hedge of net investment and hence the hedge ratio is 1:1.

(All Amounts in Rs. Million, unless otherwise stated)

28 Capital management

The primary objective of the management of the Group's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows to maximise the shareholder value. Management also monitors the return on equity.

The Board of directors regularly review the Group's capital structure in light of the economic conditions, business strategies and future commitments.
For the purpose of the Group's capital management, capital includes issued share capital, securities premium and all other equity reserves. Debt includes, foreign currency term loan and other borrowings.

Loans availed by the Group are subject to certain financial covenants and the Group is compliant with these financial covenants on the reporting date as per the terms of the loan agreement.

There is no default on the repayment of borrowings (including interest thereon) during the year ended March 31, 2023.

Particulars	**March 31, 2023**	**March 31, 2022**
Borrowings [Refer note 13(i)]	1,158.60	80.37
Lease liabilities [Refer note 6(ii)]	130.30	37.74
Total Debt (A)	**1,288.90**	**118.11**
Equity share capital (Refer note 11)	269.14	1,155.64
Other Equity (Refer note 12)	7,433.74	4,296.28
Total Equity (B)	**7,702.88**	**5,451.92**
Profit after tax (C)	**1,922.17**	**2,020.58**
Opening Shareholders equity	5,451.92	15,234.87
Closing Shareholders equity	7,702.88	5,451.92
Average Shareholder's Equity (D)	**6,577.40**	**10,343.40**
Debt equity ratio (A/B)	**0.17**	**0.02**
Return on equity (%) (C/D)	**29.22%**	**19.53%**

(All Amounts in Rs. Million, unless otherwise stated)

29 Contingent Liabilities

a) i). Claims against the Group not acknowledged as debts:-

Particulars	As at March 31, 2023	As at March 31, 2022
- Customers	6.41	6.11
- VAT	19.42	19.42
- Income Tax	45.98	15.18
Total	**71.81**	**40.71**

b) Guarantees

i) Bank Guarantees issued by bankers outstanding at the end of the year Rs. 20.01 Million (Previous year - Rs. 20.01 Million).

ii) Issuance of Performance Bank Guarantee of Rs. 225.81 Million (USD 2.75 Million) [Previous year Rs. 208.73 Million (USD 2.75 Million)] by NIIT USA Inc. on behalf of NIIT Learning Solutions (Canada) Limited. The subject bank guarantee has been issued in terms of Registration Education Services Agreement dated March 30, 2017 between NIIT Learning Solutions (Canada) Limited, Real Estate Council of Ontario, Registrar appointed under the Real Estate and Business Brokers Act, 2002 and Humber College Institute of Technology & Advanced Learning.

iii) Corporate Guarantee issued to ICICI Bank Canada to secure loan of up to CAD 5.00 Million, amount outstanding at the end of the year Nil, [Previous year Rs. 48.64 Million (CAD 0.80 Million)] availed by NIIT Learning Solutions (Canada) Limited. The Corporate Guarantee was closed during the current financial year.*

iv) Corporate Guarantee issued to ICICI Bank UK for availing working capital limit on behalf of NIIT Limited, UK up to GBP 4.20 Million, Amount Outstanding at the end of the year is Nil.*

*These corporate guarantees were issued by NIIT Limited and are in the process of being replaced by the corporate guarantees of NLSL pursuant to the Scheme of Arrangement.

30 Capital and other Commitments

a) Estimated amount of contracts remaining to be executed on capital account (net of advances) not provided for Rs. 7.67 Million (Previous year Rs.16.58 Million).

b) For commitments related to lease arrangements, refer note 6.

31 Dividend

	Year eneded March 31, 2023	Year eneded March 31, 2022
Cash dividends on equity shares declared and paid:		
Dividend paid to Equity Shareholder, NIIT Limited	-	743.64
	-	**743.64**

(All Amounts in Rs. Million, unless otherwise stated)

32 Earnings Per Share

	Year eneded	
	March 31, 2023	**March 31, 2022**
Profit attributable to Equity Shareholders (Rs. Million) (A)	1,922.17	2,020.58
Weighted average number of Equity Shares outstanding during the year (Nos.) – (B)	134,309,442	115,564,072
Add : Effect of Potential Dilutive Shares (being Stock options) (Nos.)	3,253,292	-
Weighted average shares outstanding considered for determining Diluted Earnings per Share (Nos.) - (C)	137,562,734	115,564,072
Nominal Value of Equity Shares (Rs.)	2	10
From Continuing operations		
Basic Earnings per Share (Rs.) (A/B)	14.31	17.48
Diluted Earnings per Share (Rs.) (A/C)	13.97	17.48

Note : Pursuant to the Scheme, the entire eqity share capital of the Company of Rs. 10/- each is cancelled as on appointed date and the Company will issue one equity share of Rs. 2/- each in NLSL as fully paid up for every equity share of Rs. 2/- each held by the shareholders in NIIT. Therefore the earnings per share are strictly not comparable from previous year. [refer notes 37(C) and (D)].

33 Related Party Transactions :

(A) Related parties with whom the Group has transacted:

Key Management Personnel

1 Mr. Rajendra S Pawar (Non-Executive Chairman-w.e.f. May 24, 2023)
2 Mr. Vijay K Thadani (Vice-Chairman & Managing Director w.e.f. May 24, 2023) (Non-Executive Director till May 23, 2023)
3 Mr. P Rajendran (Non-Executive Director- resigned w.e.f. May 24, 2023)
4 Mr. Sapnesh Kumar Lalla (Executive Director & Chief Executive Officer w.e.f. May 24, 2023) (Non-Executive Director till May 23, 202
5 Mr. Anand Sudarshan (Non-Executive Independent Director-tenure completed on March 13, 2021)
6 Ms. Lata Vaidyanathan (Non Executive Independent Director-tenure completed on May 08, 2021)
7 Mr. Ravinder Singh (Non-Executive Independent Director-w.e.f. May 20, 2023)
8 Ms. Sangita Singh (Non-Executive Independent Director- w.e.f. May 20, 2023)
9 Ms. Leher Vijay Thadani (Non-executive Director - w.e.f. May 24, 2023)
10 Mr. Ravindra Babu Garikipati (Non-Executive Independent Director-w.e.f May 24, 2023)
11 Mr. Umesh Kumar Gola (Chief Financial Officer-resigned w.e.f. September 30, 2021)
12 Mr. Sanjay Kumar Jain (Chief Financial Officer- resigned w.e.f. May 24, 2023)
13 Mr. Sanjay Mal (Chief Financial Officer-w.e.f. May 24, 2023)
14 Mr. Siddharth Nath (Company Secretary-Resigned w.e.f. May 24, 2023)
15 Mr. Deepak Bansal (Company Secretary-w.e.f. May 24, 2023)
16 Ms. Leena Khokha (Manager-resigned w.e.f. April 30, 2023)
17 Ms. Mita Brahma (Non-Executive Director-resigned w.e.f. May 24, 2023)

B) Entities in which Key Management Personnel of the Company and NIIT Limited are same

1 NIIT Limited (Erstwhile Holding Company till March 31, 2022)
2 NIIT Yuva Jyoti Limited (Liquidated on February 25, 2022)
3 NIIT Institute of Process Excellence Limited (Under Voluntary Liquidation w.e.f. February 19, 2020)
4 NIIT GC Limited, Mauritius
5 PT NIIT Indonesia, Indonesia (under liquidation)
6 NIIT China (Shanghai) Limited, Shanghai (subsidiary of entity at serial no. 4)
7 Chengmai NIIT Information Technology Company Limited, China (Closed w.e.f. August 18, 2022, subsidiary of entity at serial no. 6)
8 Chongqing An Dao Education Consulting Limited, China (subsidiary of entity at serial no. 6)
9 NingXia NIIT Education Technology Company Limited, China (Closed w.e.f. December 6, 2022, subsidiary of entity at serial no. 6)
10 Guizhou NIIT Information Technology Consulting Co., Limited, China (under process of closing, subsidiary of entity at serial no. 6)
11 NIIT (Guizhou) Education Technology Co., Limited, China (subsidiary of entity at serial no. 6)
12 NIIT Institute of Finance Banking and Insurance Training Limited
13 RPS Consulting Private Limited (w.e.f. October 01, 2021)

(C) Other related parties with whom Company has transacted

Parties in which the Key Management Personnel of the Holding Company are deemed to be interested

1 NIIT Institute of Information Technology
2 NIIT University

(D) Key Management Personnel compensation*

Particulars	March 31, 2023	March 31, 2022
Short-term employee benefits	9.58	8.10
Post-employment benefits	1.19	2.00
Share based payments	6.74	3.20
Total compensation	**17.51**	**13.30**

*Further, pursuant to Scheme of Arrangement (refer note 37), remuneration of Key Management Personnel of NIIT Limited amounting to Rs. 147.52 Million (Previous year Rs. 162.64 Million) allocated to NLSL is not included above.

(E) Terms and conditions

Transactions relating to dividends, subscriptions for new equity shares were on the same terms and conditions that applied to other shareholders.

Transactions with related parties during the year were based on terms that would be available to third parties. All other transactions were made in ordinary course of business and at arm's length price.

All outstanding balances are unsecured and are repayable in cash.

(All Amounts in Rs. Million, unless otherwise stated)

(F) Details of significant transactions with related parties :

Nature of Transactions	Parties in which Key Management Personnel of the Company are deemed to be interested	Entities in which KMP of the Company and NIIT Limited are same	Total
Other Income	-	-	**-**
	(-)	(0.89)	**(0.89)**
Purchase of Services			
Other Expenses (CSR Expenses)	15.30	-	**15.30**
	(5.70)	(-)	**(5.70)**
Professional Technical & Outsourcing Services	-	77.22	**77.22**
	(-)	(54.60)	**(54.60)**
Recovery of Expenses By			
Other Expenses	1.12	-	**1.12**
	(-)	(-)	**(-)**

Refer Notes 29 & 30 for Guarantees, collaterals and commitments.
Previous year figures are given in parenthesis.

(G) Outstanding Balances :

Nature of Transactions	Key Management Personnel	Parties in which Key Management Personnel of the Company are deemed to be interested	Entities in which KMP of the Company and NIIT Limited are same	Total
Receivables				
March 31, 2023	-	-	13.71	13.71
March 31, 2022	-	-	12.59	12.59
Payables				
March 31, 2023	0.05	0.08	28.13	28.26
March 31, 2022	0.08	-	33.38	33.46

Note:- Refer Notes 29 and 30 for guarantees, collaterals and commitments as at the year end.

(All Amounts in Rs. Million, unless otherwise stated)

34 Segment Information

The Group is engaged in providing Education & Training Services in a single segment. Based on "Management Approach", as defined in Ind AS 108 – Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources based on the analysis of performance of the Group as a whole. Its operations are, therefore, considered to constitute a single segment in the context of Ind AS 108 – Operating Segments.

The Holding Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is show in table below :

Particulars	March 31, 2023	March 31, 2022
India	308.80	281.37
America	10,443.11	8,869.62
Europe	2,762.23	2,090.67
Rest of the World	103.73	81.58
Total	**13,617.87**	**11,323.24**

The total of non-current assets other than financial instruments, deferred tax assets and income tax assets broken down by location of assets, is shown below :

Particulars	March 31, 2023	March 31, 2022
India	473.11	178.18
America	628.17	494.92
Europe	25.69	35.93
Rest of the World	4,974.79	566.72
Total	**6,101.76**	**1,275.75**

35 Interests in other entities

(All Amounts in Rs. Million, unless otherwise stated)

(a) Subsidiaries

The group's subsidiaries as at March 31, 2023 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is their principal place of business.

S.No	Name of entity	Place of business/ country of incorporation	Ownership interest held by the group (in %)		Principal activities
			March 31, 2023	March 31, 2022	
1	NIIT USA Inc, USA	United States	100	100	Education and Training
2	Stackroute Learning Inc, USA (subsidiary of entity at serial no. 1)	United States	100	100	Education and Training
3	NIIT Limited, UK	United Kingdom	100	100	Education and Training
4	NIIT Malaysia Sdn. Bhd, Malaysia	Malaysia	100	100	Education and Training
5	NIIT West Africa Limited	Nigeria	100	100	Education and Training
6	NIIT (Ireland) Limited	Ireland	100	100	Education and Training
7	NIIT Learning Solutions (Canada) Limited (subsidiary of entity at serial no. 6)	Canada	100	100	Education and Training
8	Eagle international Institute Inc. USA (subsidiary of entity at serial no. 1 till June 30, 2021, merged with NIIT (USA) Inc, USA w.e.f. July 01, 2021)	United States	100	100	Education and Training
9	Eagle Training Spain, S.L.U (subsidiary of entity at serial no. 8 till June 30, 2021, subsidiary of entity at serial no. 1 w.e.f. July 1, 2021)	Spain	100	100	Education and Training
10	St. Charles Consulting Group, LLC (subsidiary of entity at serial no. 1 w.e.f. November 04, 2022)	United States	100	-	Education and Training
11	NIIT Mexico, S. DE R.L. DE C.V. (subsidiary of entity at serial no. 1) - incorporated on February 23, 2023	Mexico	100	-	Education and Training
12	NIIT Brazil LTDA (subsidiary of entity at serial no. 1)- incorporated on March 23, 2023	Brazil	100	-	Education and Training

NIIT Learning Systems Limited

(Formerly Known as Mindchampion Learning Systems Limited)

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(All Amounts in Rs. Million, unless otherwise stated)

36 Disclosures mandated by Schedule III by way of additional information

Name of the entity	Year	Net Assets		Share in Profit or (Loss)		Share in other comprehensive Income		Share in total comprehensive Income	
		As % of Consolidated net assets	Amount (Rs. Million)	As % of Consolidated profit or loss	Amount (Rs. Million)	As % of Consolidated Other comprehensive income	Amount (Rs. Million)	As % of Consolidated total comprehensive income	Amount (Rs. Million)
Parent Company									
1. NIIT Learning Systems Limited	2023	41.34	3,184.49	(75.20)	(1,445.42)	5.79	7.58	(70.02)	(1,437.84)
	2022	43.79	2,387.20	(75.41)	(1,523.84)	(352.15)	(37.61)	(76.86)	(1,561.45)
Foreign Subsidiaries									
1. NIIT (USA) Inc., USA	2023	(28.60)	(2,202.15)	99.44	1,911.50	132.66	174.01	101.57	2,085.51
	2022	26.82	1,462.55	91.12	1,841.13	461.24	49.26	93.06	1,890.39
2. NIIT Limited, UK	2023	4.53	348.92	(6.23)	(119.83)	8.13	10.67	(5.32)	(109.16)
	2022	3.08	167.67	1.17	23.54	(46.91)	(5.01)	0.91	18.53
3. NIIT Malaysia Sdn. Bhd	2023	1.01	77.55	(0.87)	(16.78)	2.92	3.83	(0.63)	(12.95)
	2022	1.25	68.21	(1.22)	(24.66)	24.81	2.65	(1.08)	(22.01)
4. NIIT West Africa Limited	2023	0.02	1.40	(0.14)	(2.75)	(0.03)	(0.04)	(0.14)	(2.79)
	2022	0.03	1.54	(0.05)	(0.97)	0.19	0.02	(0.05)	(0.95)
5. NIIT Ireland Limited	2023	4.67	359.40	54.46	1,046.83	(4.02)	(5.27)	50.73	1,041.56
	2022	3.06	166.93	36.72	741.98	(261.89)	(27.97)	35.15	714.01
6. NIIT Learning Solutions (Canada) Limited	2023	11.13	857.20	41.16	791.08	(1.88)	(2.47)	38.41	788.61
	2022	22.00	1,199.58	62.28	1,258.43	277.06	29.59	63.41	1,288.02
7. Eagle International Institute Inc. USA	2023	-	-	-	0.04	-	-	-	0.04
	2022	-	-	1.02	20.68	8.52	0.91	1.06	21.59
8. Eagle Training, Spain S.L.U	2023	0.12	8.98	(4.69)	(90.12)	1.07	1.41	(4.32)	(88.71)
	2022	0.07	3.63	(2.95)	(59.69)	3.00	0.32	(2.92)	(59.37)
9. Stackroute Learning, Inc	2023	(0.17)	(13.14)	(18.55)	(356.56)	(18.65)	(24.46)	(18.56)	(381.02)
	2022	(0.10)	(5.39)	(12.67)	(256.02)	(13.86)	(1.48)	(12.68)	(257.50)
10. St. Charles Consulting Group, LLC	2023	65.95	5,080.23	10.62	204.18	(25.99)	(34.09)	8.28	170.09
	2022	-	-	-	-	-	-	-	-
11. NIIT Mexico, S. DE R.L. DE C.V.	2023	-	-	-	-	-	-	-	-
	2022	-	-	-	-	-	-	-	-
12. NIIT Brazil LTDA	2023	-	-	-	-	-	-	-	-
	2022	-	-	-	-	-	-	-	-
Total	2023	**100.00**	**7,702.88**	**100.00**	**1,922.17**	**100.00**	**131.17**	**100.00**	**2,053.34**
	2022	**100.00**	**5,451.92**	**100.00**	**2,020.58**	**100.00**	**10.68**	**100.00**	**2,031.26**

(All Amounts in Rs. Million, unless otherwise stated)

37 Composite Scheme of Arrangement

(A) The Board of Directors of NIIT Limited, in its meeting held on January 28, 2022 approved a Composite Scheme of Arrangement ("Scheme") under Section 230 to 232 and other applicable provisions of the Companies Act 2013 between NIIT Limited ("Transferor Company" or "NIIT") and NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited) ("Transferee Company" or "NLSL") a wholly owned subsidiary of the Company and their respective shareholders and creditors ("Scheme"). The Scheme inter-alia provides for, (i) Transfer and Vesting of CLG Business Undertaking by the Transferor Company to Transferee Company, (ii) Reduction and cancellation of Share Capital of Transferee Company held by Transferor Company, (iii) Issuance and allotment of shares by the Transferee Company to the shareholders of Transferor Company in consideration of transfer of CLG Business undertaking.

On May 19, 2023, the National Company Law Tribunal (NCLT), Chandigarh Bench sanctioned/ approved the Composite Scheme of Arrangement. which was made effective on May 24, 2023 upon filing of the certified copies of the NCLT Orders sanctioning the Scheme with the respective jurisdictional Registrar of Companies. Pursuant to the Scheme becoming effective, the CLG Business Undertaking (“Demerged Undertaking”) is demerged from NIIT and transferred to and vested in NLSL with effect from April 1, 2022 i.e. the Appointed Date as per Scheme.

The transactions pertaining to the Demerged Undertaking of NIIT from the appointed date upto the effective date of the Scheme have been made by NIIT on behalf of NLSL as per the Scheme.

The transfer of the Demerged Undertaking is accounted for using the pooling of interest method in accordance with Appendix C “Business Combinations of entities under common control” of the Indian Accounting Standard (IND- AS) 103- Business Combinations and the financial statements for the year ended March 31, 2022 have been prepared in accordance with the requirements of Ind AS 103.

The details of assets and liabilities transferred are as under :

PARTICULARS	April 1, 2022	April 1, 2021
ASSETS		
Non-current assets		
Property, plant and equipment	122.76	104.10
Goodwill	344.17	331.78
Other intangible assets	687.09	931.55
Right-of-use assets	37.08	183.30
Intangible assets under development	24.52	41.90
Financial assets		
Other financial assets	24.51	8.10
Deferred tax assets (net)	160.28	148.42
Income tax assets (net)	7.65	-
Other non-current assets	60.13	16.46
Total non-current assets	**1,468.19**	**1,765.61**
Current assets		
Inventories	5.42	17.19
Financial assets		
Investments	994.19	1,869.71
Trade receivables	1,394.30	1,216.84
Cash and cash equivalents	2,531.18	1,320.16
Bank balances other than above	994.45	211.23
Other financial assets	1,941.63	1,574.60
Other current assets	153.33	144.55
Total current assets	**8,014.50**	**6,354.28**
TOTAL ASSETS	**9,482.69**	**8,119.89**
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Borrowings	-	77.14
Lease liabilities	7.88	135.68
Deferred tax liabilities (net)	15.38	-
Total non-current liabilities	**23.26**	**212.82**
Current liabilities		
Financial liabilities		
Borrowings	80.37	131.79
Lease liabilities	29.86	60.44
Trade payables	882.47	675.25
Other financial liabilities	1,477.86	1,593.30
Provisions	257.86	266.76
Income tax liabilities (net)	179.96	52.45
Other current liabilities	1,099.13	1,048.48
Total current liabilities	**4,007.51**	**3,828.47**
TOTAL LIABILITIES	**4,030.77**	**4,041.29**
Net Assets Received	**5,451.92**	**4,078.60**

(All Amounts in Rs. Million, unless otherwise stated)

Pursuant to the Scheme of Arrangement, the difference between the book value of the assets and liabilities transferred, has been credited to the following reserves of the Group:

PARTICULARS	April 1, 2022	April 1, 2021
Employees Stock Option Outstanding	149.50	85.36
Hedging Reserve Account	8.29	9.75
Foreign Currency Translation Reserve	322.99	274.70
Retained Earnings	4,971.14	3,708.79
	5,451.92	**4,078.60**

(B) Basis of Carve Out Financials with respect to Demerged Undertaking

The Financial Information is prepared in accordance with the Guidance Note on 'Combined and Carve-out Financial information' ("Guidance Note") issued by the Institute of Chartered accounts of India ("ICAI") which sets out overall framework for the preparation and presentation of the carve-out Financial Information. In preparing the said carve-out Financial Information, principles as set out in the Guidance Note and accounting method prescribed in the Scheme have been applied as below:

i. The directly identifiable assets, liabilities, income and expenditures of the demerged undertaking are based on the books of accounts and underlying accounting records maintained by the Company.

ii. All other assets including Fixed deposits, current investments in mutual funds liabilities, income and expenditures, (including Common in nature) have been allocated on the basis of Revenue, or any other reasonable basis as approved by the Board. Balance of Employees Stock Option Outstanding is transferred based on net book value of assets transferred of demerged undertaking over net worth of the NIIT Limited as on the appointed date pre-demerger.

(C) Pursuant to the Scheme, 115,564,072 equity shares of Rs. 10/- each of the NLSL amounting to Rs. 1,155.64 Million held by NIIT stands cancelled as per the Scheme w.e.f. Appointed Date. Consequently, NLSL has ceased to be subsidiary of NIIT Limited. The amount of equity share capital stands reduced and cancelled and correspondingly adjusted to the retained earnings to the extent available and balance equity share capital of Rs. 3.30 Million is transferred to capital reserve.

(D) Pursuant to the Scheme, the Company will issue and allot equity shares to the shareholders of NIIT Limited whose name appears in the register of members of NIIT as on the record date i.e. June 8, 2023, one equity share of Rs. 2/- each in NLSL as fully paid up for every equity share of Rs. 2/- each held by them in NIIT and the equity share capital of Rs. 269.14 Million to be issued has been disclosed as Share Suspense Account under the head Equity Share Capital as on March 31, 2023. Scheme Related Expenses post appointed date are allocated equally between NIIT and NLSL, expenses incurred before appointed date are borned by NIIT as per the Scheme.

38 Business combinations

(a) Summary of acquisition

During the year, NIIT (USA), Inc, a wholly owned subsidiary of NLSL has acquired 100% membership interest in St. Charles Consulting Group LLC ("St. Charles") on November 04, 2022 and executed Membership Interest Purchase Agreement ("MIPA") and other definitive agreements (“Transaction Documents”).

The acquisition helps the Group add significant presence in the professional services and management consulting sectors while strengthening Group’s rapidly growing learning consulting practice. St Charles’s deep experience in Strategic Learning Programs that are aimed towards advancing overall strategy, addressing strategic business priorities, and key initiatives at large organizations are in high demand across large, global organizations.

The aggregate purchase price of USD 66.49 million. As per the definitive agreements an amount of USD 25.56 million was paid by the end of the year and maximum earnout amount of USD 40.93 million will be paid based on annual performance over the next four years.

The Group has recorded identifiable assets in accordance with Ind AS 103-‘Business Combinations’. Balance contingent consideration (performance based earnout) has been recorded at fair value. Change in the fair value measurement of contingent consideration has been recorded as finance cost in the consolidated statement of profit and loss. Legal, Professional and other costs towards acquisition has been recognised as an exceptional item in the consolidated statement of profit and loss.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

Purchase consideration	**Amount (USD Mn)**	**Amount (INR Mn)**
Cash paid	25.56	2,116.07
Contingent Consideration	33.83	2,800.37
Total purchase consideration	**59.39**	**4,916.44**

The assets and liabilities recognised as on November 05, 2022 as a result of the acquisition are as follows:

Particulars	**Amount USD (Mn)**	**Amount INR(Mn)**
Property, plant and equipment	0.01	1.05
Right-of-use assets	0.13	10.51
Security deposits non current	0.00	0.30
Unbilled revenue	0.32	26.73
Prepaid expenses	0.03	2.64
Trade receivables	4.42	365.80
Cash and cash equivalents	4.19	346.94
Provision for compensated absences	(0.01)	(0.78)
Deferred revenue	(3.85)	(318.98)
Trade payables	(1.90)	(157.05)
Lease liabilities	(0.13)	(10.95)
Other financial liabilities	(0.53)	(43.60)
Net identifiable assets acquired (A)	**2.69**	**222.61**
Intangbile assets recognised pursuant to PPA		
Brand	2.71	224.63
Consultant pool	1.23	101.96
Customer relationships	4.41	365.19
Total Intangible assets recognised (B)	**8.36**	**691.78**
Total Assets acquired (A+B)	**11.05**	**914.39**
Calculation of goodwill		
Purchase consideration as per SPA	59.39	4,916.44
Less : Total assets acquired as above	(11.05)	(914.39)
Goodwill	**48.35**	**4,002.05**

(b) Significant judgements

(i) Contingent Consideration

The obligation to pay contingent consideration to the promoters of the St. Charles has been recorded as financial liability at fair value. The Group recorded transferred identifiable assets (tangible and intangible) basis a fair valuation. Consequent to this business acquisition, St. Charles were consolidated effective Novemebr 5, 2022. This financial liability has been measured at the date of acquisition initially as per MIPA. This amount was re-measured as at March 31, 2023. The increase in liability has been charged to consolidated statement of profit and loss.

Contingent Consideration Payable	**Amount (USD Mn)**	**Amount (INR Mn)**
Contingent Consideration Payable to promoters	33.83	2,800.37
Contingent Liability towards acquisition related expenses	0.70	57.53
Fair Value Loss on contingent consideration charged as finance cost in statement of profit and loss	1.12	92.09
Exchange differences	-	(23.01)
Contingent Consideration Payable as on March 31, 2023	**35.65**	**2,926.98**

(ii) The acquired business contributed revenues and profits to the Company as follows:

Particulars	**November 05, 2022 to March 31, 2023**
Revenue	1,043.84
Profit	204.63

(iii) Purchase consideration - cash flow

Particulars	**November 05, 2022 to March 31, 2023**	
Outflow of cash to acquire subsidiary, net of cash acquired		
Cash consideration	25.56	2,116.07
Less: balances acquired		
Cash and Bank	(4.19)	(346.94)
Net outflow of cash - investing activities	**21.37**	**1,769.13**

Acquisition related costs of Rs 150.10 Million included in Consolidated Statement of Profit or Loss as exceptional items (refer note 22).

(All Amounts in Rs. Million, unless otherwise stated)

39 The Holding Company has signed a definitive agreement to make a strategic investment of USD 2 million in Compulsorily Convertible Preference Shares (CCPS) of KNOLSKAPE Solutions PTE LTD, Singapore (Knolskape) as approved by Board of Directors on September 30, 2022. The Holding Company shall make the said investment under the automatic route as per applicable regulations of RBI for overseas investment by Indian parties, post completion of certain Conditions Precedents by Knolskape. Expenses related to this investment amounting to Rs. 3.84 Million have been recognised as an exceptional item.

40 Additional Regulatory Information

i) There are no immovable properties included in Property Plant and Equipment, whose title deeds are not held in the name of the Company.

ii) The Group has not revalued its Property, Plant and Equipment (including Right of use assets) and intangible assets during the year ended March 31, 2023.

iii) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

iv) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority, as per the available

v) Relationship with Struck off Companies

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as on March 31, 2023	Balance outstanding as on March 31, 2022	Relationship with the struck off company, if any, to be disclosed
Assam Computer Services Pvt. Ltd.	Trade Payables	0.05	0.05	None
Vijaya Lakshmi Softtech Private Limited	Trade Receivable	0.01	0.01	None
North East Info Services Pvt. Ltd.	Trade Receivable	0.90	-	None

vi) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

vii) The Group has not traded or invested in cryptocurrency transactions during the financial year and there is no balance as at year end.

viii) The Holding Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

ix) The Holding Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(All Amounts in Rs. Million, unless otherwise stated)

41 The Code on Social Security, 2020 (‘Code’) relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

42 Previous year figures have been regrouped / reclassified to conform to the current year's classification.
Signatures to Notes ' 1 ' to ' 42 ' above of these Consolidated Financial Statements.

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No.: 101049W/E300004

Sanjay Bachchani
Partner
Membership No. 400419

Place: Gurugram
Date: May 29, 2023

For and on behalf of the Board of Directors of NIIT Learning Systems Limited

Rajendra S Pawar
Chairman
DIN – 00042516

Vijay K Thadani
Vice-Chairman & Managing Director
DIN - 00042527

Sapnesh Kumar Lalla
Executive Director &
Chief Executive Officer
DIN - 06808242

Sanjay Mal
Chief Financial Officer

Deepak Bansal
Company Secretary

Place: Gurugram
Date: May 29, 2023

Annexure B

STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited) ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter- Composite Scheme of Arrangement

We draw attention to Note 35 of the standalone financial statements regarding accounting of transfer of CLG Business Undertaking of NIIT Limited into the Company under the Composite Scheme of Arrangement (the 'Scheme') approved by the National Company Law Tribunal ('NCLT'). As mentioned in paragraph 1.2.3 of the Composite Scheme of Arrangement ("Scheme"), the accounting treatment in the books of account of the Transferee Company has been given effect from the Appointed Date i.e. April 1, 2022, defined in the scheme which is in compliance with the MCA Circular. However, being a common control business combination, Ind AS 103 Business Combinations requires the transferee company to account for business combination from the combination date (i.e., the date on which control has been transferred) or the earliest date presented, whichever is later.

Our opinion is not modified in respect of this matter.

S.R. Batliboi & Associates LLP * Gurugram

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these [standalone] financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

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(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report

(g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 30 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 36(ix) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 36(x) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. Batliboi & Associates LLP
Gurugram

per Sanjay Bachchani
Partner
Membership Number: 400419
UDIN: 23400419BGTGQK7344

Place of Signature: Gurugram
Date: May 29, 2023

ANNEXURE 1 REFERRED TO IN PARAGRAPH UNDER HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited) ("The Company")

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) The property, plant and equipment are physically verified by the management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regards to the size of the Company and nature of its assets. Pursuant to the programme, a portion of property, plant and equipment has been physically verified by the Management during the year and no material discrepancies have been noted on such verification.

(c) There is no immovable property held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification. There was no inventory lying with third parties.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

iii. (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

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Gurugram

iv. There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Act are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not specified the maintenance of cost records under section 148(1) of the Act for the products of the Company.

vii. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, value added tax, cess and other statutory dues applicable to it. The provisions relating to duty of customs, duty of excise and service tax are not applicable to the Company. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of income tax, value added tax and sales tax have not been deposited on account of any dispute, are as follows:

Name of the statute	**Nature of the dues**	**Amount (Rs. in Million)**	**Period to which the amount relates**	**Forum where the dispute is pending**
Haryana Value Added Tax Act 2003	Value added tax and sales tax	19.42	2016-17	Joint Commissioner excise and taxation
Income Tax Act, 1961	Income Tax	30.80	2020-21	Commissioner of Income Tax (Appeals)

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) On an overall examination of the Financial Statements of the Company, the company has not taken any funds from entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries companies. Hence, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

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x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by secretarial auditor and by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. The requirement to appoint cost auditor is not applicable to the Company.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. (a) The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(b) The Company is not a nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.

(c) The Company is not a nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.

xiii. Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

xiv. (a) The Company has implemented internal audit system on a voluntary basis which is commensurate with the size of the Company and nature of its business though it is not required to have an internal audit system under Section 138 of the Companies Act, 2013.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

S.R. Batliboi & Associates LLP
Gurugram

xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix. On the basis of the financial ratios disclosed in note 39 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 21 to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 21 to the financial statements.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

S.R. Batliboi & Associates LLP * Gurugram *

per Sanjay Bachchani
Partner
Membership Number: 400419
UDIN: 23400419BGTGQK7344

Place of Signature: Gurugram
Date: May 29, 2023

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NIIT LEARNING SYSTEMS LIMTED (FORMERLY KNOWN AS MINDCHAMPION LEARNING SYSTEMS LIMITED)

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

We have audited the internal financial controls with reference to standalone financial statements of NIIT Learning Systems Limited (Formerly Known as Mindchampion Learning Systems Limited) ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

S.R. Batliboi & Associates LLP * Gurugram *

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. Batliboi & Associates LLP
Gurugram

per Sanjay Bachchani
Partner
Membership Number: 400419
UDIN: 23400419BGTGQK7344

Place of Signature: Gurugram
Date: May 29, 2023

NIIT Learning Systems Limited
(Formerly Known as Mindchampion Learning Systems Limited)
CIN: U72200HR2001PLC099478
Standalone Balance Sheet as at March 31, 2023

(All Amounts in Rs. Million, unless otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022 (Restated*)
ASSETS			
Non-current assets			
Property, plant and equipment	**3**	268.46	96.13
Other intangible assets	**4**	73.33	32.80
Right-of-use assets	**6(ii)**	3.56	7.95
Intangible assets under development	**5**	118.10	24.52
Financial assets			
Investments	**7(i)**	940.64	940.64
Other financial assets	**7(ii)**	21.53	20.56
Deferred tax assets (net)	**8(i)**	179.91	117.89
Income tax assets (net)	**8(ii)**	21.70	22.73
Other non-current assets	**9**	9.65	16.78
Total non-current assets		**1,636.88**	**1,280.00**
Current Assets			
Inventories	**10**	1.26	5.42
Financial assets			
Investments	**7(i)**	2,826.13	994.19
Trade receivables	**7(iii)**	1,048.27	708.14
Cash and cash equivalents	**7(iv)**	1.84	1.32
Bank balances other than above	**7(v)**	-	785.63
Other financial assets	**7(ii)**	398.27	937.74
Other current assets	**9**	110.10	108.62
Total current assets		**4,385.87**	**3,541.06**
TOTAL ASSETS		**6,022.75**	**4,821.06**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	**11**	269.14	1,155.64
Other equity	**12**		
Reserves and surplus	**12(i)**	4,658.15	2,600.94
Other reserves	**12(ii)**	(10.24)	8.29
TOTAL EQUITY		**4,917.05**	**3,764.87**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	**6(ii)**	1.54	4.07
Other financial liabilities	**13(ii)**	2.51	-
Other non-current liabilities	**14**	0.86	-
Total non-current liabilities		**4.91**	**4.07**
Current liabilities			
Financial liabilities			
Lease liabilities	**6(ii)**	2.41	4.52
Trade payables	**13(i)**		
(a) Total outstanding dues of micro enterprises and small enterprises		26.15	21.34
(b) Total outstanding dues of creditors other than micro enterprises & small enterprises		469.28	439.39
Other financial liabilities	**13(ii)**	277.54	265.83
Other current liabilities	**14**	120.36	94.68
Provisions	**15**	205.05	197.09
Income tax liabilities (net)	**8(ii)**	-	29.27
Total current liabilities		**1,100.79**	**1,052.12**
TOTAL LIABILITIES		**1,105.70**	**1,056.19**
TOTAL EQUITY AND LIABILITIES		**6,022.75**	**4,821.06**

The accompanying notes form an integral part of these financial statements.

* Refer note 35

As per our report of even date.
For S.R.Batliboi & Associates LLP
Chartered Accountants
Firm Registration No.: 101049W/E300004

For and on behalf of the Board of Directors of NIIT Learning Systems Limited

Sanjay Bachchani
Partner
Membership No. 400419

Rajendra S Pawar
Chairman
DIN - 00042516

Vijay K Thadani
Vice-Chairman & Managing Director
DIN - 00042527

Sapnesh Kumar Lalla
Executive Director &
Chief Executive Officer
DIN - 06808242

Sanjay Mal
Chief Financial Officer

Deepak Bansal
Company Secretary

Place: Gurugram
Date : May 29, 2023

Place: Gurugram
Date : May 29, 2023

NIIT Learning Systems Limited
(Formerly Known as Mindchampion Learning Systems Limited)
CIN: U72200HR2001PLC099478
Standalone Statement of Profit and Loss for the Year ended March 31, 2023

(All Amounts in Rs. Million, unless otherwise stated)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022 (Restated*)
INCOME			
Revenue from operations	**16**	4,037.75	3,285.03
Other income	**17**	574.48	413.60
Total income		**4,612.23**	**3,698.63**
EXPENSES			
Purchase of stock-in-trade		2.49	2.80
Changes in inventories of stock-in-trade	**10**	4.16	11.77
Employee benefits expenses	**18**	2,029.36	1,742.09
Professional & technical outsourcing expenses		953.57	757.70
Finance costs	**19**	0.69	0.94
Depreciation and amortisation expenses	**4(ii)**	92.48	108.78
Other expenses	**20**	511.40	412.00
Total expenses		**3,594.15**	**3,036.08**
Profit before exceptional items and tax		**1,018.08**	**662.55**
Exceptional items	**23**	(35.81)	(0.30)
Profit before Tax		**982.27**	**662.25**
Tax expense:	**24**		
- Current tax		60.44	62.98
- Deferred Tax (credit) / charge		(70.80)	14.44
Total Tax Expenses		**(10.36)**	**77.42**
Profit after tax for the year		**992.63**	**584.83**
Profit for the year		**992.63**	**584.83**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
a) Remeasurement of the defined benefit obligation	**25**	34.90	(48.47)
b) Fair value changes on cash flow hedges, net	**12(ii)**	-	-
c) Income tax effect	**8(i)**	(8.78)	12.31
		26.12	**(36.16)**
Items that will be reclassified to profit or loss			
a) Fair value changes on cash flow hedges, net	**12(ii)**	(18.53)	(1.46)
b) Income tax effect		-	-
		(18.53)	**(1.46)**
Total other comprehensive income / (loss) for the year, net of tax		**7.59**	**(37.62)**
Total comprehensive income for the year		**1,000.22**	**547.21**
Earnings per equity share (Face Value Rs. 2 each) / (Previous year Face Value Rs. 10 each):	**33**		
- Basic		7.39	5.06
- Diluted		7.22	5.06

The accompanying notes form an integral part of these financial statements.

* Refer note 35

As per our report of even date.

For S.R.Batliboi & Associates LLP
Chartered Accountants
Firm Registration No.: 101049W/E300004

Sanjay Bachchani
Partner
Membership No. 400419

Place: Gurugram
Date : May 29, 2023

For and on behalf of the Board of Directors of NIIT Learning Systems Limited

Rajendra S Pawar
Chairman
DIN - 00042516

Vijay K Thadani
Vice-Chairman & Managing Director
DIN - 00042527

Sapnesh Kumar Lalla
Executive Director &
Chief Executive Officer
DIN - 06808242

Sanjay Mal
Chief Financial Officer

Deepak Bansal
Company Secretary

Place: Gurugram
Date : May 29, 2023

NIIT Learning Systems Limited
(Formerly Known as Mindchampion Learning Systems Limited)
CIN: U72200HR2001PLC099478
Standalone Statement of changes in equity for the year ended March 31, 2023

(All Amounts in Rs. Million, unless otherwise stated)

a) Equity Share Capital [Refer notes 11(b) and 35]

Particulars	Numbers	Amount
Balance as at April 1, 2021 (Equity shares of Rs. 10 each)	**115,564,072**	**1,155.64**
Issued during the year	-	-
Balance as at March 31, 2022 (Equity shares of Rs. 10 each)	**115,564,072**	**1,155.64**
Cancelled pursuant to Scheme of Arrangement	(115,564,072)	(1,155.64)
Share Suspense Account Shares to be issued Pursuant to Scheme of Arrangement (Equity shares of Rs. 2 each)	134,564,360	269.14
Balance as at March 31, 2023 (Equity shares of Rs. 2 each)	**134,564,360**	**269.14**

b) Other Equity

Particulars	Reserves and surplus				Other Reserves	Total other equity
	Capital Reserve	Security premium	Employees Stock Option Outstanding	Retained Earnings	Cash flow hedge	
Balance as at April 1, 2021	-	**20.00**	-	**(1,147.94)**	-	**(1,127.94)**
Transferred pursuant to Scheme of Arrangement (Refer note 35)	-	-	85.36	3,030.70	9.75	**3,125.81**
Balance as at April 1, 2021 (Restated)	-	**20.00**	**85.36**	**1,882.76**	**9.75**	**1,997.87**
Profit for the year	-	-	-	584.83	-	**584.83**
Other comprehensive loss (net of tax)	-	-	-	(36.16)	(1.46)	**(37.62)**
Total comprehensive income for the year	-	-	-	**548.67**	**(1.46)**	**547.21**
Share Based Payments recovered from subsidiaries	-	-	57.92	-	-	**57.92**
Share Based Payments (Refer note 26)	-	-	67.07	-	-	**67.07**
Amount adjusted pursuant to Scheme of Arrangement (Refer note 35)	-	-	(60.85)	-	-	**(60.85)**
Balance as at March 31, 2022	-	**20.00**	**149.50**	**2,431.44**	**8.29**	**2,609.23**
Balance as at April 1, 2022	-	**20.00**	**149.50**	**2,431.44**	**8.29**	**2,609.23**
Profit for the year	-	-	-	992.63	-	**992.63**
Other comprehensive Income / (loss) (net of tax)	-	-	-	26.12	(18.53)	**7.59**
Total comprehensive income for the year	-	-	-	**1,018.75**	**(18.53)**	**1,000.22**
Share Based Payments recovered from subsidiaries	-	-	101.98	-	-	**101.98**
Share Based Payments (Refer note 26)	-	-	118.96	-	-	**118.96**
Created upon Capital Reduction pursuant to the scheme of arrangement [Refer note 12(i)]	23.30	-	-	-	-	**23.30**
Utilized for Capital Reduction pursuant to the Scheme of Arrangement (Refer note 35)	-	(20.00)	-	1,152.34	-	**1,132.34**
Amount adjusted pursuant to Scheme of Arrangement (Refer note 35)	-	-	(68.98)	-	-	**(68.98)**
Shares to be issued Pursuant to Scheme of Arrangement	-	-	-	(269.14)	-	**(269.14)**
Balance as at March 31, 2023	**23.30**	-	**301.46**	**4,333.39**	**(10.24)**	**4,647.91**

The accompanying notes form an integral part of these financial statements.

As per our report of even date.
For S.R.Batliboi & Associates LLP
Chartered Accountants
Firm Registration No.: 101049W/E300004

For and on behalf of the Board of Directors of NIIT Learning Systems Limited

Sanjay Bachchani
Partner
Membership No. 400419

Rajendra S Pawar
Chairman
DIN - 00042516

Vijay K Thadani
Vice-Chairman & Managing Director
DIN - 00042527

Place: Gurugram
Date : May 29, 2023

Sapnesh Kumar Lalla
Executive
Director &
DIN - 06808242

Sanjay Mal
Chief Financial Officer

Deepak Bansal
Company Secretary

-

Place: Gurugram
Date : May 29, 2023

NIIT Learning Systems Limited
(Formerly Known as Mindchampion Learning Systems Limited)
CIN: U72200HR2001PLC099478
Standalone Statement of Cash Flows for the year ended March 31, 2023

(All Amounts in Rs. Million, unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022 (Restated*)
A. Cash Flow From Operating Activities:		
Profit before exceptional items and Tax	**1,018.08**	**662.55**
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and Amortisation	92.48	108.78
Advances from customers written back	(1.59)	(2.42)
Allowance for doubtful debts (net of reversal)	(4.63)	(7.81)
Allowance for Doubtful Advances and other receivables (net of reversal)	0.70	(0.08)
Allowance for Slow / Non-moving Inventory (Net)	(0.75)	2.00
Unrealised Foreign Exchange (Gain) / Loss (Net)	(14.29)	34.24
Finance Cost	0.69	0.94
Share based payments	118.96	67.07
Interest Income	(77.20)	(103.75)
Gain on termination of Leases (Net)	(0.04)	-
Gain on sale / disposal of Property, Plant and Equipment and Intangible assets (Net)	(4.54)	(1.78)
Net gain on Investment carried at fair value through profit and loss	(54.01)	(2.27)
Operating cash flow before changes in working capital	**1,073.86**	**757.47**
Working Capital Adjustments		
(Increase) / Decrease in Trade Receivables	(321.42)	(140.55)
(Increase) / Decrease in Inventories	4.91	9.77
(Increase) / Decrease in Non-Current Financial Assets	0.04	0.79
(Increase) / Decrease in Current Financial Assets	(107.27)	(24.15)
(Increase) / Decrease in Other Non-Current Assets	0.31	(0.91)
(Increase) / Decrease in Other Current Assets	(2.18)	(39.44)
Increase / (Decrease) in Trade Payables	32.02	(14.59)
Increase / (Decrease) in Short Term Provisions	42.86	(65.69)
Increase / (Decrease) in Other Current Liabilities	27.27	(34.81)
Increase / (Decrease) in Other Non-Current Financial Liabilities	3.38	-
Increase / (Decrease) in Other Non Current Liabilities	(0.01)	(0.01)
Increase / (Decrease) in Other Current Financial Liabilities	(14.72)	86.93
Net Cash flows generated from operations before tax	**739.05**	**534.81**
Direct Tax- (paid including TDS) / refund received (Net)	(88.68)	(23.94)
Net Cash flows generated from operating activities (A)	**650.37**	**510.87**
B. Cash Flow From Investing Activities:		
Purchase of Property, Plant and Equipment (including Capital Work-in-progress, internally developed intangibles and Capital Advances)	(394.30)	(91.88)
Proceeds from sale of Property, Plant and Equipment	7.07	1.83
Interest received	118.55	119.07
Encashment / (Placement) of Fixed Deposits from Banks (Net)	1,414.63	(1,427.41)
Encashment of Deposits with / from other Financial Institutions (Net)	151.00	972.78
Purchase of Mutual Funds	(2,051.39)	(141.49)
Sale of Mutual Funds	122.46	46.50
Acquisition related expenses	(3.84)	-
Expenses in relation to Scheme of arrangement	(9.08)	(0.30)
Net cash flows used in investing activities (B)	**(644.90)**	**(520.90)**

NIIT Learning Systems Limited
(Formerly Known as Mindchampion Learning Systems Limited)
CIN: U72200HR2001PLC099478
Standalone Statement of Cash Flows for the year ended March 31, 2023

(All Amounts in Rs. Million, unless otherwise stated)

		Year ended	
		March 31, 2023	**March 31, 2022 (Restated*)**
C.	**Cash Flow From Financing Activities:**		
	Payment of Lease Liabilities	(4.94)	(5.05)
	Interest Paid	(0.01)	(0.05)
	Net Cash flows used in financing activities (C)	**(4.95)**	**(5.10)**
	Net Increase / (Decrease) in cash and cash equivalents (A) + (B) + (C)	**0.52**	**(15.13)**
	Cash and cash equivalents at the beginning of the year (Footnote 1)	1.32	16.45
	Cash and cash equivalents as at the end of the year (Footnote 1)	**1.84**	**1.32**

Notes: Reconciliation of cash and cash equivalents as per the cash flow statement

		As at	
1	**Particulars**	**March 31, 2023**	**March 31, 2022**
	Composition of Cash and cash equivalents included in the statement of cash flows comprise of the following balance sheet amounts:		
	Cash and cash equivalents as per the balance sheet [Refer note 7(iv)]	1.84	1.32
	Total	**1.84**	**1.32**

2 Figures in parenthesis indicate cash outflow.
3 The cash flows statement has been prepared using the indirect method as set out in Ind AS 7.
The accompanying notes form an integral part of these financial statements.

* Refer note 35

As per our report of even date.
For S.R.Batliboi & Associates LLP
Chartered Accountants
Firm Registration No.: 101049W/E300004

Sanjay Bachchani
Partner
Membership No. 400419

Place: Gurugram
Date : May 29, 2023

For and on behalf of the Board of Directors of NIIT Learning Systems Limited

Rajendra S Pawar
Chairman
DIN - 00042516

Vijay K Thadani
Vice-Chairman & Managing Director
DIN - 00042527

Sapnesh Kumar Lalla
Executive Director &
Chief Executive Officer
DIN - 06808242

Sanjay Mal
Chief Financial Officer

Deepak Bansal
Company Secretary

Place: Gurugram
Date : May 29, 2023

1 Company Information

NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited), (' the Company') was set up in 2001 and was involved in the research and development activities for the purpose of discovering the extent to which poor children in rural and slum areas in India can access and learn from web based curriculum using a purpose built 'Internet Kiosk'. Pursuant to the Scheme of Arrangement, the CLG Business Undertaking of NIIT Limited got transferred to the Company.

Pursuant to the transfer, the Company helps leading companies across 30 countries transform their learning ecosystems while increasing the business value of learning. Trusted by the world's leading companies, NIIT MTS provides high-impact managed learning solutions that weave together the best of learning theory, technology, operations, and services to enable a thriving workforce.

The Company has comprehensive suite of Managed Training Services includes Custom Content and Curriculum Design, Learning Delivery, Learning Administration, Strategic Sourcing, Learning Technology, and L&D consulting services. The company also offers specialized solutions including immersive learning, customer education, talent pipeline as a service, DE&I training, digital transformation and IT training as well as leadership and professional development programs.

The registered place of business of the Company is Plot No. 85, Sector - 32, Institutional Area, Gurugram - 122001 (Haryana) India. During the previous year, the name of the Company has been changed from "Mindchampion Learning Systems Limited" to "NIIT Learning Systems Limited" w.e.f. January 18, 2022 vide certificate of incorporation issued by Ministry of Corporate Affairs, Government of India.

2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.a) Basis of preparation

(i) Compliance with Ind AS

These financial statements ('financial statements') have been prepared in accordance with the Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules as amended from time to time by the Ministry of Corporate Affairs ('MCA').

The financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and division II of schedule III of the Companies Act 2013. Further, for the purpose of clarity, various items are aggregated in the statement of profit and loss and balance sheet. Nonetheless, these items are dis-aggregated separately in the notes to the financial statements, where applicable or required. All the amounts included in the financial statements are reported in millions of Indian Rupees ('Rupees' or 'Rs.') and are rounded to the nearest Million with two decimals, except per share data and unless stated otherwise.

The financial statements were authorised for issue by the Board of Directors of the Company on May 29, 2023.

(ii) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:
• Financial assets and liabilities (including derivative instruments) are measured at fair value or amortised cost
• Defined benefit plans – plan assets measured at fair value
• Share-based payments (ESOP's) are measured at fair value

b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (Rs.), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at period end exchange rates are generally recognised in the Statement of Profit or Loss. They are deferred in equity if they relate to qualifying cash flow hedges.
Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/ (losses).
Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

c) Current and non-current classification

Assets and liabilities are classified into current and non-current as follows :

Assets

An asset is classified as current when it satisfies any of the following criteria:
• it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
• it is held primarily for the purpose of being traded;
• it is expected to be realised within 12 months after the reporting period; or
• it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.
Current assets include the current portion of non-current financial assets. All other assets (including deferred tax assets) are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:
• it is expected to be settled in the Company's normal operating cycle;
• it is held primarily for the purpose of being traded;
• it is due to be settled within 12 months after the reporting period; or
• the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
Current liabilities include the current portion of non-current financial liabilities. All other liabilities (including deferred tax liabilities) are classified as non-current.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non- current.

d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, discounts and taxes.

When two or more revenue generating activities or deliverables are provided under a single arrangement, each deliverable that is considered to be a separate deliverable is accounted separately. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling prices. Where the standalone selling prices are not directly observable, these are estimated based on expected cost plus margin or residual method to allocate the total transaction price. In cases of residual method, the standalone selling price is estimated by reference to the total transaction price less the sum of the observable standalone selling prices of other goods or services promised in the contract.

Services are provided under time and material contracts and fixed price contracts. Revenue from providing services is recognised over a period of time in the accounting period in which services are rendered. The revenue from time and material contracts is recognised at the amount to which the Company has right to invoice.

In respect of fixed price contracts, revenue is recognised based on the technical evaluation of utilization of services as per the proportionate completion method when no significant uncertainty exists regarding the amount of consideration that will be determined from rendering the service. The customer pays the fixed amount based on a payment schedule. If the services rendered by the Company exceed the payment, a contract asset is recognised. If the payment exceed the services rendered, a contract liability is recognised. Revenue from training is recognised over the period of delivery. The foreseeable losses on completion of contract, if any, are provided for.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increase or decrease in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known to management.

On certain contracts, where the Company acts as agent, only commission and fees receivable for services rendered are recognised as revenue. Any third party costs incurred on behalf of the principal that are rechargeable under the contractual arrangement are not included in revenue.

Revenue in respect of sale of courseware and other physical deliverables is recognised at a point in time when these are delivered, the legal title is passed and the customer has accepted the courseware and other physical deliverables.

In other cases, where courseware is not considered a separate component under a contract, revenue from the composite course is recognised over the period of the training or the contract period, depending upon the terms and conditions.

Revenue for providing Technical Information and Reference Material (TIRM) to the business partners is recognised over the period of the contract.

e) Other Income

(i) Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(ii) Dividend income

It is recognised when the right to receive dividend is established.

f) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).
The CEO & CFO of the Company are considered as chief operating decision makers who assess the financial performance and position of the Company, and make strategic decisions.

g) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

The current income tax expense includes income taxes payable by the Company. The current tax payable by the Company in India is Indian income tax payable on worldwide income after taking credit for tax relief available.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision.

Deferred income taxes

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

h) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(a) Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

b) Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

i) Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as on the acquisition date. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.
If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

When the consideration transferred by the Company in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against Goodwill/capital reserve. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

j) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:
• those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), or
• those measured at amortised cost.
The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.
Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments
Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:
• **Amortised Cost** : Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

• **Fair value through other comprehensive income (FVOCI)**: Assets that are held for collection of the contractual cash flows and for selling the financial assets, where the asset's cash flow represents solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through Other Comprehensive Income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss.When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

• **Fair value through profit or loss** : Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income (FVOCI) are measured at fair value through profit or loss (FVTPL). A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(iii) Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVOCI, trade receivables and contract assets, financial guarantee contracts, and certain other financial assets measured at amortised cost such as deferred consideration receivable on disposal of subsidiaries. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company recognises lifetime expected credit losses (ECL) for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(iv) Derecognition of financial assets
A financial asset is derecognised only when
• The Company has transferred the rights to receive cash flows from the financial asset or
• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.
Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

k) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown as borrowings in current liabilities in the balance sheet.

l) Trade receivables

Trade receivables are recognised initially at fair value and subsequently adjusted for expected credit loss using the effective interest method.

m) Inventories

Traded goods are stated at the lower of cost or net realisable value. Cost of traded goods comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average method. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

n) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.
For the purpose of hedge accounting, hedges are classified as:
• Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;
• Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

(i) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).
Forward contracts are used to hedge forecast transactions, the Company generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in other comprehensive income in cash flow hedging reserve within equity. The change in the forward element of the contract that relates to the hedged item ('aligned forward element') is recognised within other comprehensive income in the costs of hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.
Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).
If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

(ii) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the Statement of Profit and Loss as finance costs.
For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the Effective Interest Rate (EIR) method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.
If the hedged item is derecognised, the unamortised fair value is recognised immediately in the Statement of Profit and Loss.

(iii) Derivatives that are not designated as hedges

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other gains/(losses).

o) Property, plant and equipment

The Company had applied for the one-time transition exemption of considering the carrying cost on the transition date i.e. April 01, 2016 as the deemed cost under Ind AS, regarded thereafter as historical cost.
Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Description of Assets	Useful life
Plant and Equipment including:	
- Computers, Printers and related Accessories	3 years
- Computer Servers and Networks	5 years
- Electronic Equipments	8 years
- Air Conditioners	10 years
Office Equipments	5 years
Furniture & Fixtures	7 years
Leasehold Improvements	3-5 years or lease period, whichever is lower
Assets under employee benefits scheme except vehicles	3 years
All other assets (including vehicles)	Lives prescribed under Schedule II to the Companies Act, 2013

Depreciation is provided on a pro-rata basis on the straight-line method over the useful lives of the assets. The depreciation charge for each period is recognised in the Statement of Profit and Loss. The residual values is considered as nil.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.
An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/ (expenses).

p) Intangible assets

Computer software, Educational content/products - Acquired

These Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Education content/products-Internally generated

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:
• it is technically feasible to complete the development so that it will be available for use;
• management intends to complete the content / products and use or sell it;
• there is an ability to use or sell the content / products;
• it can be demonstrated how the content / products will generate probable future economic benefits;
• adequate technical, financial and other resources to complete the development and to use or sell the content / products are available, and
• the expenditure attributable to the content / products during its development can be reliably measured.
Directly attributable costs that are capitalised as part of the intangible include employee costs and an appropriate portion of relevant overheads.
Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Amortisation methods and periods

Intangible assets are amortised on a straight line basis over their estimated useful lives which are as follows:

Particulars	Useful life
Internally generated (Content and products)	3-5 years
Acquired (Software, content and products)	3-5 years

q) Impairment testing of goodwill and intangible assets

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units are identified at the lowest level at which goodwill is monitored.

Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

r) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

s) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

t) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.
Other borrowing costs are expensed in the period in which they are incurred. Borrowing cost includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

u) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.
Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.
Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Company recognizes any impairment loss on the assets associated with that contract.

v) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.
The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:
- Defined benefit plans such as Gratuity and Compensated Absences.
- Defined contribution plan such as Provident fund, Superannuation Fund, Pension fund and National Pension system.

Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.
The present value of the defined benefit obligation denominated in Rs. is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.
Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the balance sheet.
Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Compensated absences
Liability in respect of compensated absences is provided for both encashable leave and those expected to be availed. The Company has defined benefit plans for compensated absences for employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using projected unit credit method. Any gain or loss arising out of such valuation is recognised in the Statement of Profit and Loss as income or expense as the case may be.
Accumulated compensated absences, which are expected to be availed within twelve months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected undiscounted cost of accumulated compensated absences expected to be availed based on the unutilised entitlement at the year end.

Provident fund
The Company makes contribution to the "NIIT Limited Employees' Provident Fund Trust" for certain entities in India, which is a defined benefit plan to the extent that the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company's obligation in this regard is actuarially determined using projected unit credit method and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.
The Company's contribution towards Provident Fund is charged to Statement of Profit and Loss.

Superannuation fund
The Company makes defined contribution to the Trust established for the purpose by the Company towards superannuation fund maintained with Life Insurance Corporation of India. The Company has no further obligations beyond its monthly contributions. Contribution made during the year is charged to Statement of Profit and Loss.

Pension Fund
The Company makes defined contribution to a government administered pension fund towards it's pension plan on behalf of its employees. The Company has no further obligations beyond its monthly contributions. The contribution towards Employee Pension Scheme is charged to Statement of Profit and Loss.

National Pension System
The Company makes defined contribution towards National Pension System for certain employees for which Company has no further obligation. Contributions made during the year are charged to Statement of Profit and Loss.

w) Share based payments - Employee stock option plan (ESOP)
The Company operates equity settled employee share based employee settled plan. The fair value of options granted under the 'NIIT Employee Stock Option Plan 2005' is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:
• including any market performance conditions (e.g., the entity's share price)
• excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
• including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

x) Share capital
Equity share capital
Issuance of ordinary shares are recognised as equity share capital in equity. Incremental costs directly attributable to the issuance of new equity shares are recognised as a deduction from equity, net of any tax effects.

y) Dividends
The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

The Company declares and pays dividends in Indian rupees. Companies are required to pay/distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

z) Earnings per share
(i) Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
• the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
• the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

aa) Fair value measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to/ by the Company.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net asset value.
Level 2: The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.
The Company measures financial instruments, such as, investments (other than investment in subsidiaries), at fair value at each reporting date.

ab) Critical accounting estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.
Information about significant areas of estimation/uncertainty and judgements in applying accounting policies that have the most significant effect on the financial statements are as follows:

- measurement of defined benefit obligations: key actuarial assumptions - refer notes 2v and 25.
- measurement of useful life and residual values of property, plant and equipment -refer note 2o and 3.
- judgement required to determine grant date fair value technique -refer notes 2w and 26.
- fair value measurement of financial instruments - refer notes 2aa and 27.
- judgement required to determine probability of recognition of deferred tax assets - refer note 2g.

There are no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

ac) Exceptional items

Exceptional items refer to items of income or expense within the income statement that are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance for the period**.**

Materiality threshold can be used to select items to be disclosed as exceptional on case to case basis. This threshold would be applied separately for standalone as well as consolidated financial statements. However, in case an item qualifies for disclosure in standalone financial statements but not in consolidated financial statements or vice versa, this would need to be evaluated on case to case basis

Basis the above analysis, mainly following items would be evaluated for disclosure as exceptional items:

a) **Business Combination:** Impact of one-time accounting policy alignment / unusual write off / impairment of assets arising as a result of business combination, including transaction cost.

b) **Fair valuation gains on business combination.**

c) **Reassessment / Change in life of asset** (in case of re-evaluation of business/product, impact of all assets specific to that business/product to be considered for applying the threshold).

d) **Disputed regulatory / tax levies including tax rate change having retrospective impact** (other than impact on account of restatement of deferred tax asset / liability for tax rate change) – only impact for the past periods to be disclosed as exceptional.

e) Provision for other than temporary diminution in the value of non-current investment.

f) **Shareholders' dispute settlement arising out of merger / acquisition transactions.**

g) Write-downs of inventories to net realisable value or of property, plant and equipment to recoverable amount, as well as reversals of such write-downs.

h) Restructurings of the activities of an entity and reversals of any provisions for the costs of restructuring.

In case of other significant item of income or expense, not covered above, the same would be evaluated on a case to case basis for disclosure under exceptional items.

NIIT Learning Systems Limited
(Formerly Known as Mindchampion Learning Systems Limited)
CIN: U72200HR2001PLC099478
Notes to the Standalone Financial Statements for the year ended March 31, 2023

(All Amounts in Rs. Million, unless otherwise stated)

3 Property, Plant and Equipment

Particulars	Plant & Equipments	Leasehold Improvements	Furniture & Fixtures	Vehicles	Office Equipments	Total tangible assets
Year ended March 31, 2022						
Gross carrying amount						
Opening gross carrying amount	**5.83**	**0.25**	**0.26**	**-**	**-**	**6.34**
Transferred pursuant to Scheme of Arrangement (Refer note 35)	202.35	54.36	36.49	2.58	16.16	**311.94**
Additions	50.43	-	-	15.73	-	**66.16**
Disposals/Sale	2.85	-	0.36	-	-	**3.21**
Closing gross carrying amount (A)	**255.76**	**54.61**	**36.39**	**18.31**	**16.16**	**381.23**
Accumulated depreciation						
Opening accumulated depreciation	**5.57**	**0.25**	**0.19**	-	-	**6.01**
Transferred pursuant to Scheme of Arrangement (Refer note 35)	150.39	54.36	26.04	1.91	11.26	**243.96**
Depreciation charged during the year	32.88	-	2.85	0.57	1.99	**38.29**
Disposals/Sale	2.80	-	0.36	-	-	**3.16**
Closing accumulated depreciation (B)	**186.04**	**54.61**	**28.72**	**2.48**	**13.25**	**285.10**
Net Carrying Amount (A-B)	**69.72**	**-**	**7.67**	**15.83**	**2.91**	**96.13**
Year ended March 31, 2023						
Gross carrying amount						
Opening gross carrying amount	**255.76**	**54.61**	**36.39**	**18.31**	**16.16**	**381.23**
Additions	82.08	-	89.11	39.36	24.58	**235.13**
Disposals/Sale	16.30	13.59	21.30	-	0.66	**51.85**
Closing Gross Carrying Amount (C)	**321.54**	**41.02**	**104.20**	**57.67**	**40.08**	**564.51**
Accumulated Depreciation						
Opening accumulated depreciation	**186.04**	**54.61**	**28.72**	**2.48**	**13.25**	**285.10**
Depreciation charged during the year	43.87	-	6.35	7.37	2.67	**60.26**
Disposals/Sale	15.99	13.59	19.08	-	0.65	**49.31**
Closing accumulated depreciation (D)	**213.92**	**41.02**	**15.99**	**9.85**	**15.27**	**296.05**
Net Carrying Amount (C-D)	**107.62**	**-**	**88.21**	**47.82**	**24.81**	**268.46**

(All Amounts in Rs. Million, unless otherwise stated)

4 Intangible Assets and Intangible assets under development

Particulars	Educational Content/ Products Internally Generated	Software Acquired	Total intangibles assets other than intangibles assets under development	Intangible assets under development (footnote i)	Total Intangible assets
Year ended March 31, 2022					
Gross carrying amount					
Opening gross carrying amount	**158.63**	**2.76**	**161.39**	**-**	**161.39**
Transferred pursuant to Scheme of Arrangement (Refer note 35)	501.66	11.27	**512.93**	8.21	**521.14**
Additions	-	-	**-**	16.31	**16.31**
Transfer	-	-	**-**	-	**-**
Disposals/Sale	-	-	**-**	-	**-**
Closing gross carrying amount (A)	**660.29**	**14.03**	**674.32**	**24.52**	**177.70**
Accumulated amortisation and impairment					
Opening accumulated amortisation and impairment	**158.63**	**2.76**	**161.39**	**-**	**161.39**
Transferred pursuant to Scheme of Arrangement (Refer note 35)	403.12	10.74	**413.86**	-	**413.86**
Amortisation charge for the year	65.85	0.42	66.27	**-**	**66.27**
Disposals/Sale	-	-	**-**	-	**-**
Closing accumulated amortisation (B)	**627.60**	**13.92**	**641.52**	**-**	**641.52**
Net carrying amount (A-B)	**32.69**	**0.11**	**32.80**	**24.52**	**57.32**
Year ended March 31, 2023					
Gross carrying amount					
Opening gross carrying amount	**660.29**	**14.03**	**674.32**	**24.52**	**698.84**
Additions	68.52	0.07	**68.59**	162.10	**230.69**
Transfer	-	-	**-**	68.52	**68.52**
Disposals/Sale	-	0.68	**0.68**	-	**0.68**
Closing gross carrying amount (C)	**728.81**	**13.42**	**742.23**	**118.10**	**860.33**
Accumulated Amortisation and Impairment					
Opening accumulated amortisation and impairment	**627.60**	**13.92**	**641.52**	**-**	**641.52**
Amortisation charge for the year	27.94	0.12	**28.06**	-	**28.06**
Disposals/Sale	-	0.68	**0.68**	-	**0.68**
Closing accumulated amortisation (D)	**655.54**	**13.36**	**668.90**	**-**	**668.90**
Net carrying amount (C-D)	**73.27**	**0.06**	**73.33**	**118.10**	**191.43**

Footnote:

(i) Refer note 5 for cost incurred during the year on internally generated intangible assets.

4(ii) Depreciation and amortisation expenses

	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on Property, plant and equipment (Refer Note 3)	60.26	38.29
Amortisation on Intangible assets (Refer Note 4)	28.06	66.27
Depreciation on right-of-use assets [Refer Note 6(ii)]	4.16	4.22
	92.48	108.78

(All Amounts in Rs. Million, unless otherwise stated)

5 Intangible assets under development

The Company internally develops software tools, platforms and content / courseware. The management estimates that this would result in enhanced productivity and offer more technology based learning products / solutions to the customers in future. The Company is confident of its ability to generate future economic benefits out of the above mentioned assets. The costs incurred during the year towards the development are as follows:

Description	Year ended March 31, 2023	Year ended March 31, 2022
Opening Balance	**24.52**	-
Transferred pursuant to Scheme of Arrangement (Refer note 35)	-	8.21
Add:-Expenses capitalised during the year		
Salary and other Employee Benefits	88.88	11.38
Professional & Technical Outsourcing Expenses	53.23	0.33
Other expenses	19.99	4.60
Less:-Intangible assets capitalised during the year	**(68.52)**	-
Closing Balance	**118.10**	**24.52**

Ageing of projects

Project in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
March 31, 2023	93.58	19.44	5.08	-	**118.10**
March 31, 2022	19.44	5.08	-	-	**24.52**

6 Leases

6(i) The following are the amounts recognised in the statement of profit and loss for short term leases:

The Company has entered into leases for office premises, employee accommodations, equipments which are cancelable at the option of the Company by giving the requisite notice. Aggregate payments during the year under short term leases are as shown hereunder:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
In respect of Premises*	2.54	3.92
In respect of Equipments**	14.50	33.39
In respect of Vehicles	0.85	2.05
	17.89	**39.36**

* Includes payment in respect of premises for office and employee accommodation.

** Includes payment in respect of computers, printers and other equipments.

(All Amounts in Rs. Million, unless otherwise stated)

6(ii) Right-of-use assets

The following are the carrying amount of right-of-use assets recognised and movement :

Particulars	Vehicle	Total
As at April 1, 2021	**0.18**	**0.18**
Transferred pursuant to Scheme of Arrangement (Refer note 35)	8.88	8.88
Additions / Modifications	3.11	3.11
Deletion	-	-
Depreciation	(4.22)	(4.22)
As at March 31, 2022	**7.95**	**7.95**
Additions / Modifications	-	-
Deletion	(0.23)	(0.23)
Depreciation	(4.16)	(4.16)
As at March 31, 2023	**3.56**	**3.56**

6(ii) Lease Liabilities

The following are the carrying amount of lease liabilities and movement :

Particulars	Total
As at April 1, 2021	**0.18**
Transferred pursuant to Scheme of Arrangement (Refer note 35)	9.45
Additions / Modifications	3.11
Deletion	-
Accretion of interest	0.90
Payments	(5.05)
As at March 31, 2022	**8.59**
Additions / Modifications	-
Deletion	(0.29)
Accretion of interest	0.59
Payments	(4.94)
As at March 31, 2023	**3.95**

The following is the break-up of current and non-current lease liabilities :

Particulars	March 31, 2023	March 31, 2022
Current Lease liabilities	2.41	4.52
Non Current Lease liabilities	1.54	4.07
Total	**3.95**	**8.59**

The following are the amounts recognised in the statement of profit and loss:

Particulars	March 31, 2023	March 31, 2022
Depreciation expenses of right-of-use assets	4.16	4.22
Interest expense on lease liabilities (Refer note 19)	0.59	0.90
Gain on termination of Leases (Net) [Refer notes 17]	(0.04)	-
Total	**4.71**	**5.12**

The table below provides details regarding the contractual maturities of lease liabilities:

Particulars	March 31, 2023	March 31, 2022
Less than one year	2.41	4.52
One to two years	1.27	2.52
More than two years	0.27	1.55
Total	**3.95**	**8.59**

(All Amounts in Rs. Million, unless otherwise stated)

7 Financial Assets

7(i) Investments

A. Non-Current Investment	**As at March 31, 2023**	**As at March 31, 2022**
Investments in equity instruments (fully paid)		
Unquoted in subsidiary companies:		
In Subsidiary Companies [Refer footnote (i)]		
-Equity		
(Valued at cost)		
10,662,113 (Previous year : 10,662,113) shares of US $ 1 each fully paid-up in NIIT (USA) Inc., USA	478.15	478.15
10,000,000 (Previous year : 10,000,000) Equity Shares of NGN 1 each fully paid-up in NIIT West Africa Limited, Nigeria	8.37	8.37
Less: Provision for impairment in value of Investment	(8.37)	(8.37)
	-	-
5,541,000 (Previous year : 5,541,000) shares of MYR 1 each fully paid-up in NIIT Malaysia SDN. BHD, Malaysia	91.66	91.66
4,150,000 (Previous year : 4,150,000) shares of Euro 1 each fully paid-up in NIIT Ireland Limited, Ireland	357.73	357.73
155,000 (Previous year : 155,000) shares of GBP 1 each fully paid-up in NIIT Limited, UK	13.10	13.10
Total Non-Current Investments	**940.64**	**940.64**

Footnote:-

(i) Transferred to the Company pursuant to the Scheme of Arrangement [Refer note 35].

	As at March 31, 2023	**As at March 31, 2022**
B. Current Investment [Refer footnote (i)]		
(i) Carried at Fair Value through statement of profit and loss [Quoted]		
Investment [Quoted]	2,127.13	144.19
(ii) Carried at amortised cost [Unquoted]		
Investment [Unquoted]		
Investment in term deposits with Financial Institution	699.00	850.00
Total Current Investments	**2,826.13**	**994.19**
Aggregate amount of Unquoted Investments	1,648.01	1,799.01
Less: Aggregate Provision for impairment in the value of Investments	(8.37)	(8.37)
Total Unquoted Investments	**1,639.64**	**1,790.64**
Aggregate amount of Quoted Investments at market value	2,127.13	144.19
Total Quoted Investments	**2,127.13**	**144.19**
Total Investments	**3,766.77**	**1,934.83**

Footnote:-

(i) Transferred to the Company pursuant to the Scheme of Arrangement [Refer note 35].

(All Amounts in Rs. Million, unless otherwise stated)

		As at			
7(ii)	**Other Financial Assets**	**March 31, 2023**	**March 31, 2022**	**March 31, 2023**	**March 31, 2022**
		Non-Current		**Current**	
a)	**Security Deposits**				
	Unsecured, considered good	0.20	0.24	0.16	0.43
	Unsecured, considered doubtful	0.80	0.80	-	-
	Less: Allowance for doubtful deposits	(0.80)	(0.80)	-	-
		0.20	**0.24**	**0.16**	**0.43**
b)	**Contract Assets**				
	Unbilled Revenue (Refer note 16.1) *	-	-	69.31	38.24
	Unsecured, considered doubtful	-	-	2.89	2.89
	Less: Allowance for doubtful unbilled revenue (Refer note 28)	-	-	(2.89)	(2.89)
		-	-	**69.31**	**38.24**
c)	**Interest Receivable**				
	Interest Accrued on bank and other deposits	1.32	0.31	29.18	71.65
		1.32	**0.31**	**29.18**	**71.65**
d)	**Derivative Assets (Refer note 28)**	-	-	-	16.20
		-	-	-	**16.20**
e)	**Other Receivables**				
	Other Receivables	-	-	50.34	37.15
	Receivables from related parties	-	-	249.28	145.07
	Unsecured, considered doubtful	-	-	0.93	0.93
	Less: Allowance for doubtful receivables	-	-	(0.93)	(0.93)
		-	-	**299.62**	**182.22**
f)	**Bank deposits**				
	With remaining maturity of less than 12 months	-	-	-	629.00
	With remaining maturity of more than 12 months**	20.01	20.01	-	-
		20.01	20.01	**-**	**629.00**
		21.53	**20.56**	**398.27**	**937.74**

*Includes unbilled revenue from related parties Rs. 1.47 Million (Previous year Rs. Nil).
**Deposit of Rs. 20.01 Million (Previous year Rs. 20.01 Million) pledged as margin money with bank for issuance of bank guarantees.

Ageing of unbilled revenue from transaction date as at March 31, 2023*

Particulars	**Less than 6 Months**	**6 months – 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed Unbilled revenue - Considered Good	69.31	-	-	-	-	**69.31**
Undisputed Unbilled revenue - Credit impaired	-	-	-	-	2.89	**2.89**
Total	**69.31**	-	-	-	**2.89**	**72.20**
Less: Allowance for doubtful unbilled revenue						**(2.89)**
Total						**69.31**

Ageing of unbilled revenue from transaction date as at March 31, 2022*

Particulars	**Less than 6 Months**	**6 months – 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed Unbilled revenue - Considered Good	37.40	0.84	-	-	-	**38.24**
Undisputed Unbilled revenue - Credit impaired	-	-	-	-	2.89	**2.89**
Total	**37.40**	**0.84**	-	-	**2.89**	**41.13**
Less: Allowance for doubtful unbilled revenue						**(2.89)**
Total						**38.24**

*There are no disputed unbilled revenue.

(All Amounts in Rs. Million, unless otherwise stated)

7(iii) Trade Receivables

	As at March 31, 2023	As at March 31, 2022
	Current	
Unsecured, considered good		
Trade Receivables	312.01	254.24
Receivables from related parties	736.26	453.90
Unsecured - credit impaired	188.75	193.38
Less: Allowance for doubtful debts (Refer note 28)	(188.75)	(193.38)
	1,048.27	**708.14**

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Ageing of trade receivables as at March 31, 2023*

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - Considered Good	668.81	372.41	0.81	3.18	1.06	-	1,046.27
Undisputed Trade Receivables – credit impaired	-	-	0.04	-	12.67	176.04	188.75
Total	**668.81**	**372.41**	**0.85**	**3.18**	**13.73**	**176.04**	**1,235.02**
Less: Allowance for doubtful debts							(188.75)
Total							**1,046.27**

Ageing of trade receivables as at March 31, 2022*

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - Considered Good	655.80	33.65	1.24	1.70	0.54	15.20	708.13
Undisputed Trade Receivables – credit impaired	-	0.86	0.28	11.56	26.23	154.45	193.38
Total	**655.80**	**34.51**	**1.52**	**13.26**	**26.77**	**169.65**	**901.51**
Less: Allowance for doubtful debts							(193.38)
Total							**708.13**

*There are no disputed trade receivables.

7(iv) Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
	Current	
Balance with banks		
-Current accounts	1.84	1.32
	1.84	**1.32**

7(v) Bank balances other than above

	As at March 31, 2023	As at March 31, 2022
	Current	
Bank deposits		
-With original maturity of more than 3 months and upto 12 months*	-	785.63
	-	**785.63**

*Deposits are made with banks for varying periods, depending on the immediate cash requirements of the Company and to earn interest at the respective term deposit rates.

(All Amounts in Rs. Million, unless otherwise stated)

8 Tax Assets (Net)

8(i) Deferred tax assets/ liabilities

	As at March 31, 2023	As at March 31, 2022
Deferred Tax Assets		
The balance comprises temporary differences attributable to:		
Provision for Employee benefits	54.18	50.07
Provision for Doubtful debts, Unbilled revenue, inventory & others	54.54	0.96
Difference between carrying value of Property, plant and equipment and intangible assets in the financial statements and as per the Income Tax	80.33	66.79
Difference between carrying value of right-of-use assets and lease liabilities as per Ind AS 116 in the financial statements and as per the Income Tax	0.10	0.16
Scheme related expenses	2.47	-
Total (A)	191.62	117.98
Deferred Tax Liabilities		
Unrealised gain on Investment marked to market	(11.71)	(0.09)
Total (B)	(11.71)	(0.09)
Net Deferred Tax Assets recognised (A+B)	**179.91**	**117.89**

a) Deferred Tax Assets and Liabilities are being offset as they relate to taxes on income levied by the tax jurisdiction in India.

b) Pursuant to Scheme of Arrangement, the Company has reassessed utilization of absorption plan of timing differences including carry forward business losses and recognised Deferred Tax Assets accordingly.

Movement in deferred tax assets / (liabilities)

Movement in deferred tax assets / (liabilities) (net)	Property, Plant and Equipments and Intangibles Assets	Provision for Emloyee Benefits	Provision for Doubtful debts, Unbilled revenue, inventory & others	Others includes unrealised gain	Right-of-use assets/ (Lease Liabilities)	Total
As at April 1, 2021	-	-	-	-	-	-
Transferred pursuant to Scheme of Arrangement (Refer note 35)	**66.38**	**53.35**	**0.15**	-	**0.14**	**120.02**
(charged)/credited:						
- to profit or loss	0.41	(15.59)	0.81	(0.09)	0.02	(14.44)
- to other comprehensive income	-	12.31	-	-	-	12.31
As at March 31, 2022	**66.79**	**50.07**	**0.96**	**(0.09)**	**0.16**	**117.89**
(charged)/credited:						
- to profit or loss	13.54	12.89	53.58	(9.15)	(0.06)	70.80
- to other comprehensive income	-	(8.78)	-	-	-	(8.78)
As at March 31, 2023	**80.33**	**54.18**	**54.54**	**(9.24)**	**0.10**	**179.91**

8(ii) Income tax assets / (liabilities) (Net)

	As at March 31, 2023 Non-Current	As at March 31, 2022 Non-Current	As at March 31, 2023 Current	As at March 31, 2022 Current
Advance Income Tax	88.09	28.87	-	33.44
Less : Provision for Income Tax	(66.39)	(6.14)	-	(62.71)
	21.70	**22.73**	-	**(29.27)**

(All Amounts in Rs. Million, unless otherwise stated)

	As at			
9 Other Assets	**March 31, 2023**	**March 31, 2022**	**March 31, 2023**	**March 31, 2022**
	Non-Current		**Current**	
i) Capital Advances				
Unsecured, considered good	8.90	15.72	-	-
	8.90	**15.72**	**-**	**-**
ii) Advances to Suppliers in cash or in kind				
Unsecured, considered good	-	-	14.90	16.41
	-	**-**	**14.90**	**16.41**
iii) Other Advances recoverable in cash or in kind				
Unsecured, considered good	0.15	0.17	6.29	1.53
Unsecured, considered doubtful	-	-	0.03	0.09
Less: Allowance for doubtful advances	-	-	(0.03)	(0.09)
	0.15	**0.17**	**6.29**	**1.53**
iv) Prepaid expenses				
Unsecured, considered good	0.60	0.89	88.91	90.68
	0.60	**0.89**	**88.91**	**90.68**
	9.65	**16.78**	**110.10**	**108.62**

	As at	
10 Inventories	**March 31, 2023**	**March 31, 2022**
As at the end of the year		
Stock-in-trade		
Education and Training Material*	1.26	5.42
	1.26	**5.42**
As at the beginning of the year		
Stock-in-trade		
Education and training material*	5.42	17.19
	5.42	**17.19**
Decrease in inventories	**4.16**	**11.77**

* Net of provision for non-moving inventories of Rs. 21.32 Million (Previous year Rs. 22.07 Million).

(All Amounts in Rs. Million, unless otherwise stated)

11 Share capital [Refer note 35]

a) Authorised share capital

Particulars	Number of shares	Amount
As at April 1, 2021 (Equity shares of Rs. 10 each)	**120,000,000**	**1,200.00**
Addition during the year	-	-
As at March 31, 2022 (Equity shares of Rs. 10 each)	120,000,000	1,200.00
Authorised Share Capital reclassified/reorganised by reducing the face value of equity shares to Rs. 2 (Rupees Two only pursuant to Scheme of Arrangement)	600,000,000	1,200.00
Addition during the year	-	-
As at March 31, 2023 (Equity shares of Rs. 2 each)	**600,000,000**	**1,200.00**

Pursuant to the Scheme of Arrangement, the authorised share capital of the Company got reclassified/reorganized from 120,000,000 equity shares of Rs. 10/- each aggregating to Rs. 1,200 Million to 600,000,000 equity shares of Rs. 2/- each aggregating to Rs. 1,200 Million by reducing the face value of equity shares from Rs. 10/- to Rs. 2/- each.

b) Movement in equity share capital

Subscribed and paid up share capital	Equity shares	
	Number of shares	Amount
As at April 1, 2021 (Equity shares of Rs. 10 each)	**115,564,072**	**1,155.64**
Issued during the year	-	-
As at March 31, 2022 (Equity shares of Rs. 10 each)	**115,564,072**	**1,155.64**
Cancelled pursuant to Scheme of Arrangement	**(115,564,072)**	**(1,155.64)**
Share Suspense Account		
Shares to be issued pursuant to Scheme of Arrangement (Equity shares of Rs. 2 each) (Refer note 35)	134,564,360	269.14
As at March 31, 2023 (Equity shares of Rs. 2 each)	**134,564,360**	**269.14**

c) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend (excluding interim dividend) proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Shares reserved for issue under options

Information relating to Employee Stock Option Plan, including details of options issued, granted, exercised and lapsed during the financial year and options outstanding at the end of the reporting year, is set out in Note 26.

e) Details of Shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% of holding	Number of shares	% of holding
NIIT Limited*	-	-	115,564,072	100.00%
Rajendra Singh Pawar as Trustee of Pawar Family Trust	22,445,644	16.68%	-	-
Vijay Kumar Thadani as Trustee of Thadani Family Trust	22,994,229	17.09%	-	-
Nippon Life India Trustee Ltd - A/c Nippon India Small Cap Fund	11,095,416	8.25%	-	-
Massachusetts Institute of Technology	7,741,830	5.75%	-	-
Total	**64,277,119**	**47.77%**	**115,564,072**	**100.00%**

*Six Equity Shares were registered in the names of nominee individuals, the beneficial interest of which lied with NIIT Limited.

(All Amounts in Rs. Million, unless otherwise stated)

f) Details of shares held by promoters and Promoter Group

As at March 31, 2023

Particulars	No. of shares at the beginning of the year*	Change during the year	No. of shares at the end of the year*	% of Total Shares	% change during the year
Promoters					
NIIT Limited*	115,564,072	(115,564,072)	-	0.00%	(100.00%)
Rajendra Singh Pawar	-	155,000	155,000	0.12%	100.00%
Vijay Kumar Thadani	-	155,000	155,000	0.12%	100.00%
Promoter Group					
Rajendra Singh Pawar as Trustee of Pawar Family Trust	-	22,445,644	22,445,644	16.68%	100.00%
Vijay Kumar Thadani as Trustee of Thadani Family Trust	-	22,994,229	22,994,229	17.09%	100.00%
Arvind Thakur	-	566,829	566,829	0.42%	100.00%
Neeti Pawar and Rajendra Singh Pawar	-	427,326	427,326	0.32%	100.00%
Urvashi Pawar	-	56,250	56,250	0.04%	100.00%
Unnati Pawar	-	56,242	56,242	0.04%	100.00%
Udai Pawar	-	7,500	7,500	0.01%	100.00%
R S Pawar HUF	-	2,527	2,527	0.00%	100.00%
V K Thadani HUF	-	2,527	2,527	0.00%	100.00%
Renu Kanwar and Vandana Katoch	-	2,339	2,339	0.00%	100.00%
Santosh Dogra	-	1,687	1,687	0.00%	100.00%
Renuka Vijay Thadani and Vijay Kumar Thadani	-	1,000	1,000	0.00%	100.00%
Kailash K Singh and Yogesh Singh	-	750	750	0.00%	100.00%
Janki Jamwal and Neeti Pawar	-	652	652	0.00%	100.00%
Janki Jamwal and Pramod Singh Jamwal	-	562	562	0.00%	100.00%
Janki Jamwal and Keerti Katoch	-	562	562	0.00%	100.00%
Rasina Uberoi	-	15,464	15,464	0.01%	100.00%
Rubika Vinod Chablani	-	1,687	1,687	0.00%	100.00%

* Shares to be issued pursuant to the Scheme of Arrangement [Refer note 35(D)].

As at March 31, 2022

Particulars	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Promoter					
NIIT Limited*	115,564,072	-	115,564,072	100.00%	0.00%
Total	**115,564,072**	**-**	**115,564,072**	**100.00%**	**0.00%**

*Six Equity Shares were registered in the names of nominee individuals, the beneficial interest of which lied with NIIT Limited.

(All Amounts in Rs. Million, unless otherwise stated)

12 Other Equity

Particulars	As at March 31, 2023	As at March 31, 2022
Reserves and Surplus [Refer note 12(i)]		
Capital reserve	23.30	-
Securities Premium	-	20.00
Employees Stock Option Outstanding	301.46	149.50
Retained Earnings	4,333.39	2,431.44
	4,658.15	**2,600.94**
Other Reserves [Refer note 12(ii)]		
Hedging Reserve Account	(10.24)	8.29
Total Other Equity	**4,647.91**	**2,609.23**

12(i) Reserves and Surplus	March 31, 2023		March 31, 2022	
a) Capital reserve [Refer footnote (i)]				
Opening Balance	-		-	
Created upon Capital Reduction pursuant to the Scheme of Arrangement [Refer note 35(C)]	23.30	23.30	-	-
b) Securities Premium [Refer footnote (ii)]				
Opening Balance	20.00		20.00	
Utilized for Capital Reduction pursuant to the Scheme of Arrangement [Refer note 35(C)]	(20.00)	-	-	20.00
c) Employees Stock Option Outstanding				
Opening Balance	149.50		-	
Transferred pursuant to the Scheme of Arrangement (Refer note 35)	-		85.36	
Adjustment pursuant to the Scheme of Arrangement	(68.98)		(60.85)	
Share based payments (Refer note 26)	118.96		67.07	
Share based payments recovered from Subsidiaries	101.98	301.46	57.92	149.50
d) Retained Earnings				
Opening Balance	2,431.44		(1,147.94)	
Capital Reduction pursuant to the Scheme of Arrangement [Refer note 35(C)]	1,152.34		-	
Transferred pursuant to the Scheme of Arrangement (Refer note 35)	-		3,030.70	
Profit for the year	992.63		584.83	
Share capital to be issued Pursuant to Scheme of Arrangement (Equity shares of Rs. 2 each) [Refer note 35 (D)]	(269.14)		-	
Other Comprehensive Profit/ (Loss) (net of tax)	26.12	4,333.39	(36.16)	2,431.44
Total Reserves and Surplus		**4,658.15**		**2,600.94**

12(ii) Other Reserves	March 31, 2023		March 31, 2022	
Hedging Reserve Account (Cash flow Hedge) [Refer footnote (iii)]				
Opening Balance	8.29		-	
Transferred pursuant to the Scheme of Arrangement (Refer note 35)	-		9.75	
Impact of restatement of derivative on Receivables	(18.53)		(1.46)	
Total Other Reserves		**(10.24)**		**8.29**

Footnotes :

(i) Capital reserve represents the reserve created on Amalgamation and Business Combinations.

(ii) The amount represents the additional amount shareholders paid for their issued shares that was in excess of the par value of those shares. The same can be utilised for the items specified under section 52 of Companies Act, 2013.

(iii) The Company uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecasted transactions, i.e., revenue, as described in Note 28. The Company uses Foreign Currency Forward Contracts which are designated as Cash Flow Hedges for hedging foreign currency risk. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the Cash Flow Hedging Reserve. Amount recognised in the Cash Flow Hedging Reserve is reclassified to profit or loss when the hedged item effects profit and loss, i.e., Revenue.

(All Amounts in Rs. Million, unless otherwise stated)

13 Financial Liabilities

13(i) Trade Payables

	As at March 31, 2023	As at March 31, 2022
	Current	
Total outstanding dues of creditors other than micro enterprises and small enterprises	278.86	247.17
Total outstanding dues of micro enterprises and small enterprises	26.15	21.34
Trade Payables to related parties	190.42	192.22
	495.43	**460.73**

Trade payables are non-interest bearing and are normally settled on 45 days term.

Parties covered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified on the basis of information available with the Company. Disclosures as per Section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as follows:

	Particulars	As at March 31, 2023	As at March 31, 2022
a)	The principal amount and the interest due thereon remaining unpaid to any supplier		
i)	Principal amount	26.15	21.34
ii)	Interest thereon	-	-
b)	The amount of payment made to the supplier beyond the appointed day and the interest thereon, during an accounting year		
i)	Principal amount	4.50	9.57
ii)	Interest thereon	0.01	0.02
c)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d)	The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
e)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor	-	-

Ageing of trade payables as at March 31, 2023*

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed outstanding dues of micro enterprises and small enterprises	26.15	-	-	-	-	**26.15**
Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	173.71	53.14	16.96	0.07	14.93	**258.81**
Total	**199.86**	**53.14**	**16.96**	**0.07**	**14.93**	**284.96**
Add: Unbilled dues						210.47
Total trade payables						**495.43**

Ageing of trade payables as at March 31, 2022*

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed outstanding dues of micro enterprises and small enterprises	21.34	-	-	-	-	**21.34**
Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	169.69	38.38	18.95	0.24	15.28	**242.54**
Total	**191.03**	**38.38**	**18.95**	**0.24**	**15.28**	**263.88**
Add: Unbilled dues						196.85
Total trade payables						**460.73**

*There are no disputed trade payables.

13(ii) Other Financial Liabilities

	Non-Current March 31, 2023	Non-Current March 31, 2022	Current March 31, 2023	Current March 31, 2022
Derivative liabilities (Refer note 28)	-	-	23.71	-
Other Payables *	2.51	-	253.83	265.83
	2.51	**-**	**277.54**	**265.83**

* Includes Payable to Employees amounting to Rs. 211.39 Million (Previous year Rs. 212.55 Million), Payables to related parties Rs. 0.05 Million (Previous year Rs. 0.04 Million) and Capital Creditors amounting to Rs. 2.49 Million (Previous year Rs. 6.31 Million).

14 Other Liabilities

	Non-Current March 31, 2023	Non-Current March 31, 2022	Current March 31, 2023	Current March 31, 2022
Contract Liabilities (Refer note 16.1)				
-Deferred Revenue	0.86	-	1.91	7.79
-Advances from Customers	-	-	7.52	6.29
Statutory Dues*	-	-	110.93	80.60
	0.86	**-**	**120.36**	**94.68**

* Statutory Dues mainly includes withholding tax and Contribution to Provident fund etc.

15 Provisions

	As at March 31, 2023	As at March 31, 2022
	Current	
Provision for Employee Benefits :		
-Provision for Gratuity (Refer note 25)	127.49	128.03
-Provision for Compensated Absences	76.93	69.06
Other Provisions	0.63	-
	205.05	**197.09**

The movement of provision towards other provision is as below:-

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	-	-
Created during the year	0.63	-
Utilised/(Written back) during the year	-	-
Closing balance	**0.63**	-

(All Amounts in Rs. Million, unless otherwise stated)

	Year ended	
16 Revenue From Operations	**March 31, 2023**	**March 31, 2022**
Sale of products : Courseware	25.94	28.22
Sale of Services	4,011.81	3,257.24
Less: Discounts & Rebates	-	(0.43)
	4,037.75	**3,285.03**

16.1 Disclosure under Ind AS - 115 (Revenue from contracts with customers)

	Year ended	
a. Disaggregated revenue information	**March 31, 2023**	**March 31, 2022**
Type of Services		
Sale of Courseware and Training Material	25.94	28.22
Sale of Services	4,011.81	3,256.81
	4,037.75	**3,285.03**
Timing of Revenue Recognition		
Goods (Courseware, Training Material) transferred at a point in time	25.94	28.22
Services transferred over time	4,011.81	3,256.81
	4,037.75	**3,285.03**
b. Contract Balances		
Trade Receivables [Refer note 7(iii)]	1,048.27	708.14
Contract Assets [Refer note 7(ii)]	69.31	38.24
Contract Liabilities (Refer note 14)	(10.29)	(14.08)
	1,107.29	**732.30**

Trade receivables are non-interest bearing and are generally on terms of 30 - 90 days. A sum of Rs. (4.63) Million (Previous year Rs. (7.81) Million) is recognised as allowance for doubtful debts (net of reversal) on trade receivables during the year.

Unbilled revenues are billed in a terms of 30 - 90 days. A sum of Rs. Nil (Previous year Rs. Nil) is recognised as provision for expected credit losses on unbilled revenue during the year.

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivables is right to consideration that is unconditional upon passage of time.
Revenue for ongoing services at the reporting date yet to be invoiced is recorded as unbilled revenue.

c. Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:

	Year ended	
	March 31, 2023	**March 31, 2022**
Revenue as per contracted price	4,072.86	3,251.02
Adjustments		
Gain/ (Loss) on hedging contracts	(35.11)	34.44
Discount	-	(0.43)
	4,037.75	**3,285.03**

d. Performance obligation and remaining performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. As on March 31, 2023, there were no remaining performance obligation as the same is satisfied upon delivery of goods/services.

(All Amounts in Rs. Million, unless otherwise stated)

17	Other Income (Refer note 35)	Year ended March 31, 2023	Year ended March 31, 2022
	Interest Income		
	-Interest income on bank and other deposits carried at amortized cost	76.82	102.64
	- Unwinding of interest on security deposit	0.11	-
	- Others	0.27	1.11
	Net gain on investment carried at fair value through profit and loss	54.01	2.27
	Gain on sale / disposal of property, plant and equipment and intangible assets (net)	4.54	1.78
	Gain on termination of leases (net)	0.04	-
	Gain on foreign currency translation and transaction (net)	57.98	20.86
	Recovery from subsidiaries for corporate and management support services (refer note 34)	331.72	267.48
	Provision for doubtful debts written back (refer note 28)	4.63	7.81
	Advances from customers written back	1.59	2.42
	Other non-operating income	42.77	7.23
		574.48	**413.60**

18	Employee Benefits Expenses (Refer note 35)#	Year ended March 31, 2023	Year ended March 31, 2022
	Salary,wages and bonus	1,734.75	1,528.20
	Contribution to provident and other funds* (refer note 25)	128.97	104.52
	Share based payments (refer note 26)	118.96	67.07
	Staff welfare expense	46.68	42.30
		2,029.36	**1,742.09**

Net of Rs. 88.88 Million (Previous year Rs. 11.38 Million) capitalised in intangible assets (Refer note 5).

* There are numerous interpretative issues relating to the Supreme Court (SC) judgement on Provident fund dated February 28, 2019. As a matter of caution, the Company has implemented the provisions on a prospective basis from the date of the SC order. The Company will assess its position, on receiving further clarity on the subject.

19	Finance Costs	Year ended March 31, 2023	Year ended March 31, 2022
	Interest on lease liabilities [refer note 6(ii)]	0.59	0.90
	Interest expense-others	0.10	0.04
		0.69	**0.94**

(All Amounts in Rs. Million, unless otherwise stated)

		Year ended		
20 Other Expenses (Refer note 35) *		**March 31, 2023**		**March 31, 2022**
Equipment Hiring [Refer note 6(i)]		14.50		33.39
Software Subscriptions		54.25		44.19
Royalties		0.04		-
Freight and Cartage		3.52		3.97
Rent [Refer note 6(i)]		3.39		5.97
Asset usage charges		22.78		24.83
Rates and Taxes		0.59		0.84
Power & Fuel		14.56		11.76
Communication		23.00		20.33
Legal and Professional (Refer note 22)		186.62		168.31
Travelling and Conveyance		52.38		9.64
Allowance for Doubtful Advances and other receivables		0.70		-
Advances written off	0.76		0.03	
Less:- Provision for advances written back	(0.76)	-	(0.03)	-
Insurance		11.73		6.42
Repairs and Maintenance				
- Plant and Machinery		12.65		12.83
- Buildings		14.58		5.26
- Others		25.72		14.31
Consumables		13.87		12.60
Security and Administration Services		23.61		16.89
Bank Charges		1.74		1.45
Donation		0.40		-
Expenditure towards Corporate Social Responsibility (CSR) activities (Refer note 21)		15.30		5.70
Marketing and Advertising Expenses		8.84		8.48
Sundry Expenses		6.63		4.83
		511.40		**412.00**

* Net of Rs. 19.99 Million (Previous year Rs. 4.60 Million) capitalised in intangible assets (Refer note 5).

		Year ended	
21	**Corporate Social Responsibility Expenditure***	**March 31, 2023**	**March 31, 2022**
a)	Gross amount required to be spent by the Company during the year	15.25	5.60
b)	Amount approved by the board to be spent during the year	15.30	5.70
c)	Amount spent during the year:		
	-Construction/acquisition of any asset	-	-
	-On purposes other than above	15.30	5.70
d)	Details of related party transactions in relation to CSR expenditure		
	-Contribution to NIIT Institute of Information Technology	15.30	5.70
e)	The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	-	-
f)	Total of previous years shortfall	-	-
g)	Reason for above shortfall	-	-
h)	Nature of CSR activities:	Education (Grant of Scholarship to meritorious students at NIIT University during the financial year 2022-23 & 2021-22)	

* The CSR related compliances were done by NIIT Limited, however the entire amount was allocated to CLG Business Undertaking pursuant to Scheme of Arrangement (Refer note 35).

	Year ended	
22 Payment To Auditors (included in legal and professional fees and exceptional items)	**March 31, 2023**	**March 31, 2022**
Audit Fee	0.52	0.52
For other Certification	-	0.30
For reimbursement of expenses (excluding GST)	0.04	0.04
	0.56	**0.86**

	Year ended	
23 Exceptional Items (Refer note 35)	**March 31, 2023**	**March 31, 2022**
Legal and professional cost towards acquisition [Refer footnote (i)]	(3.84)	-
Legal and professional cost towards scheme of arrangement [Refer note 35]	(31.97)	(0.30)
	(35.81)	**(0.30)**

Footnote:

(i) The Company has signed a definitive agreement to make a strategic investment of USD 2 million in Compulsorily Convertible Preference Shares (CCPS) of KNOLSKAPE Solutions PTE LTD, Singapore (Knolskape) as approved by Board of Directors on September 30, 2022. The Company shall make the said investment under the automatic route as per applicable regulations of RBI for overseas investment by Indian parties, post completion of certain Conditions Precedents by Knolskape. Expenses related to this investment have been recognised as an exceptional item.

(All Amounts in Rs. Million, unless otherwise stated)

24 Tax expense (Refer note 35)

	Year ended	
	March 31, 2023	**March 31, 2022**
(a) Income tax expense		
Current tax		
Current tax on profits for the year	60.44	62.98
Total current tax expense	**60.44**	**62.98**
Deferred tax		
Deferred tax (credit) / charge	(70.80)	14.44
Total deferred tax (credit) / charge	**(70.80)**	**14.44**
Income tax expense	**(10.36)**	**77.42**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

	Year ended	
	March 31, 2023	**March 31, 2022**
Profit before income tax expense	982.27	662.25
Tax at the Indian tax rate of 25.17% (Previous year 25.17%)	**247.24**	**166.69**
Adjustments for:		
Taxes Relating to Non deductible expenses	4.92	-
Deferred Tax on Long Term Capital Loss (Cancellation of Investment in Subsidiary)	-	(90.72)
Tax Impact of Adjustments due to Scheme of Arrangement	(263.19)	-
Tax Impact of other adjustments	0.67	1.45
Income tax expense	**(10.36)**	**77.42**

(All Amounts in Rs. Million, unless otherwise stated)

25 Employee Benefits [(Refer note 35 (B)]

A) Defined Contribution Plans

The Company makes contribution towards Superannuation Fund and Pension Scheme to the defined contribution plans for eligible employees.

The Company has charged the following costs in Contribution to Superannuation and Other Funds in the Statement of Profit and Loss:-

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Employers' Contribution to Superannuation Fund	10.29	10.05
Employers' Contribution to Employees Pension Scheme	25.45	22.27
Employers' Contribution to Employee National Pension System	2.72	1.73
Total	**38.46**	**34.05**

The Company has charged the following costs in Contribution to Other Funds in the Statement of Profit and Loss for Key Management Personnel:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Employers' Contribution to Superannuation Fund	0.30	0.23
Employers' Contribution to Employees Pension Scheme	0.05	0.02
Employers' Contribution to Employee National Pension System	0.15	0.09
Total	**0.50**	**0.35**

B) Defined Benefit Plans

I. Provident Fund

The Company makes contribution to the "NIIT LIMITED EMPLOYEES' PROVIDENT FUND TRUST" ("the Trust"). The Company contributed Rs. 46.96 Million (Previous year Rs. 38.20 Million) including Rs. 0.32 Million (Previous year Rs. 0.24 Million) in respect of Key Management personnel during the year to the Trust. The same has been recognised in the statement of profit and loss under the head employee benefit expenses. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate. The Company's obligation in this regard is actuarially determined and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

The guidance on implementing Ind AS 19 Employee Benefits , issued by Accounting Standards Board (ASB) of The Institute of Chartered Accountants of India, states that benefits involving employer established provident fund trust, which require interest shortfall to be compensated by the employer is required to be considered as Defined Benefits Plans. The actuary has provided a valuation and based on the below mentioned assumptions, determined that there is no short fall as at March 31, 2023.

Each year, the board of trustees reviews the level of funding in the provident fund plan. Such a review includes the assets-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The board of trustees decides its contribution based on the result of this annual review.

(i) Change in Defined Benefit Obligation

Particulars	As at March 31, 2023	As at March 31, 2022
Present Value of Defined Benefit Obligation as at the beginning of the year	1,596.06	1,449.64
Current service cost	66.58	54.45
Acquisition cost	29.86	53.52
Interest Cost	109.29	92.25
Benefit paid	(165.09)	(151.33)
Employee Contribution	114.64	95.99
Actuarial (gain)/ loss on Obligations	15.56	1.54
Present Value of Defined Benefit Obligation as at the end of the year	**1,766.90**	**1,596.06**

(ii) Change in Fair Value of Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of Plan Assets as at the beginning of the year	1,816.73	1,665.19
Benefit paid	(165.09)	(151.33)
Employee Contribution	114.64	95.99
Acquisition Adjustment	29.86	53.52
Interest Income on Plan Assets	109.29	92.25
Return on plan assets greater/(lesser) than discount rate	(60.24)	6.66
Employers' Contribution	66.58	54.45
Fair value of Plan Assets as at the end of the year	**1,911.77**	**1,816.73**

(All Amounts in Rs. Million, unless otherwise stated)

(iii) Estimated Net Asset/ (Liability) recognised in the Balance Sheet :

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of Defined Benefit Obligation	1,766.90	1,596.06
Fair Value of Plan Assets	1,911.77	1,816.73
Funded Status [Surplus/(Deficit)] with the trust	144.87	220.67
Net Asset/(Liability) recognised in the Balance Sheet	**-**	**-**

(iv) Assumptions used in accounting for provident Fund:-

Particulars	As at March 31, 2023	As at March 31, 2022
Discount Rate (Per Annum)	7.25%	6.75%
EPFO Rate	8.15%	8.10%
Expected return of exempt fund	7.75%	7.50%

v) Investment details of Plan Assets:-

Particulars	As at March 31, 2023	As at March 31, 2022
Government Securities	51.33%	60.81%
Debt Instruments	36.86%	32.50%
Equities	2.13%	1.06%
Short term Debt Instruments	9.68%	5.63%
Total	**100.00%**	**100.00%**

II. Gratuity Fund - Funded (Refer note 35)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
i) Change in Present value of Obligation:-		
Present value of obligation as at beginning of the year	266.64	7.59
Transferred pursuant to Scheme of Arrangement	-	195.41
Interest cost	18.82	12.36
Current service cost	34.70	25.79
Benefits paid	(11.72)	(21.00)
Acquisiton cost / (credit)	(0.14)	(0.06)
Actuarial loss on experience	(9.98)	5.03
Actuarial loss on financial assumption	(24.06)	41.52
Present value of obligation as at the year end	**274.26**	**266.64**

ii) Change in Fair value of Plan Assets :-	Year ended March 31, 2023	Year ended March 31, 2022
Fair value of Plan Assets as at the beginning of the year	138.61	0.64
Transferred pursuant to Scheme of Arrangement	-	48.19
Expected return on Plan Assets	9.97	5.88
Contributions	9.19	106.88
Acquisition adjustment	(0.14)	(0.06)
Benefits Paid	(11.72)	(21.00)
Return on plan assets (lesser) than discount rate	0.86	(1.92)
Fair value of Plan Assets as at the end of the year	**146.77**	**138.61**

Estimated contributions for the year ended on March 31, 2024 is Rs. 127.49 Million (Previous year Rs. 128.03 Million).

iii) Amount of Asset/ (Liability) recognised in the Balance Sheet:-	Fair value of Plan Assets as at the end of the year	Present value of obligation as at the end of the year	Liability recognised in Balance Sheet
As at March 31, 2023	146.77	274.26	(127.49)
As at March 31, 2022	138.61	266.64	(128.03)

iv) Gratuity Cost recognised in the Statement of Profit and Loss:-

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current service cost	34.70	25.79
Net interest on net defined benefit liability / (asset)	8.85	6.48
Expense recognised in the Statement of Profit and Loss	**43.55**	**32.27**

(All Amounts in Rs. Million, unless otherwise stated)

v) Gratuity Cost recognised through Other Comprehensive Income:-

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Actuarial loss on experience	(9.98)	5.03
Actuarial loss on financial assumption	(24.06)	41.52
Return on plan assets lesser than discount rate	(0.86)	1.92
Expense recognised through other comprehensive income	**(34.90)**	**48.47**

vi) Assumptions used in accounting for gratuity plan:-

	As at March 31, 2023	As at March 31, 2022
Discount Rate (Per Annum)	7.25%	6.75%
Future Salary Increase	10.00%	16% for next 2 years and 10% thereafter
Expected Rate of return on plan assets	7.37%	7.15%

Estimates of future salary increase considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

vii) Investment details of Plan Assets:-

The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme. The details of investment maintained by Life Insurance Corporation are not available with the Company and have not been disclosed.

The expected return on plan assets is determined considering several applicable factors mainly the compensation of plan assets held, assessed risk of asset management, historical result of the return on plan assets.

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on defined benefit obligation		
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
	March 31, 2023	**March 31, 2023**	**March 31, 2023**
Discount rate	0.50%	(10.86)	11.63
Salary growth rate	0.50%	11.17	(10.51)
Withdrawal rate	5.00%	(17.06)	18.55

	Impact on defined benefit obligation		
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
	March 31, 2022	**March 31, 2022**	**March 31, 2022**
Discount rate	0.50%	(10.68)	11.44
Salary growth rate	0.50%	10.75	(10.14)
Withdrawal rate	5.00%	(19.64)	20.03

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied for calculating the defined benefit liability recognised in the balance sheet.

Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are market volatility, changes in inflation, changes in interest rates, rising longevity, changing economic environment, regulatory changes etc. The Company ensures that the investment positions are managed within an asset-liability matching framework that has been developed to achieve investments which are in line with the obligations under the employee benefit plans. Within this framework, the Company’s asset-liability matching objective is to match assets to the obligations by investing in securities to match the benefit payments as they fall due.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that failure of any single investment should not have a material impact on the overall level of assets.

(All Amounts in Rs. Million, unless otherwise stated)

26 Share Based Payments (Refer note 35)

(a) Employee option plan

During the year 2005-06, NIIT Limited had established NIIT Employee Stock Option Plan 2005 "ESOP 2005" and the same was approved at the General Meeting of the Company held on May 18, 2005. The plan was set up so as to offer and grant, for the benefit of employees (excluding promoters) of the Company, who are eligible under "Securities and Exchange Board of India (SEBI) (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999", options of the Company in one or more tranches, and on such terms and conditions as may be fixed or determined by the Board, in accordance with the provisions of law or guidelines issued by the relevant authorities in this regard.

As per the plan, each option is exercisable for one equity share of face value of Rs. 2 each (Rs. 10 each pre bonus and split) fully paid up on payment to the Company, at a price to be determined in accordance with ESOP 2005. ESOP information is given for the number of shares after sub-division and Bonus issue.

Pursuant to Scheme of the Arrangement, with respect to the stock options granted already by the Transferor Company prior to the Effective Date to its employees or that of its subsidiaries (irrespective of whether they are employees of the Transferor Company or its subsidiaries or become employees of the Transferee Company or its subsidiaries pursuant to this Scheme) under the Existing ESOP Scheme, and upon the Scheme becoming effective, all such option holders (whether the options granted to such option holders are vested or not) shall also be issued the stock options by the Transferee Company under the New ESOP Scheme, in accordance with the share entitlement ratio of 1:1 as per the Scheme.

i) Summary of options granted under plan:

Particulars	March 31, 2023		March 31, 2022	
	Avg exercise price per share option*	Number of options	Avg exercise price per share option*	Number of options
Opening balance	103.95	7,188,894	50.89	5,637,204
Granted during the year	201.35	3,070,000	165.27	3,260,000
Exercised during the year	49.83	697,113	44.34	1,397,263
Forfeited/ Lapsed during the year	190.37	236,674	52.70	311,047
Closing balance	**137.87**	**9,325,107**	**103.95**	**7,188,894**
Vested and Exercisable		**3,846,773**		**2,778,894**

ii) Share options outstanding at the end of year have following expiry date and exercise prices:

Grant	Vests	Grant date	Vesting date	Expiry date	Exercise price*	Share options outstanding March 31, 2023	Share options outstanding March 31, 2022
Grant 10	Vest I	28-Aug-14	28-Aug-15	28-Aug-20	28.40	-	-
	Vest II	28-Aug-14	28-Aug-16	28-Aug-21	28.40	-	-
	Vest III	28-Aug-14	28-Aug-17	28-Aug-22	28.40	-	2
Grant 12	Vest I	24-Jun-15	24-Jun-16	24-Jun-21	23.75	-	-
	Vest II	24-Jun-15	24-Jun-17	24-Jun-22	23.75	-	45,000
	Vest III	24-Jun-15	24-Jun-18	24-Jun-23	23.75	50,000	146,844
Grant 13	Vest I	17-Jul-15	17-Jul-16	17-Jul-21	29.77	-	-
	Vest II	17-Jul-15	17-Jul-17	17-Jul-22	29.77	-	33,336
	Vest III	17-Jul-15	17-Jul-18	17-Jul-23	29.77	48,846	66,684
Grant 16	Vest I	16-Jun-16	16-Jun-17	16-Jun-22	47.56	-	13,332
	Vest II	16-Jun-16	16-Jun-18	16-Jun-23	47.56	13,332	13,332
	Vest III	16-Jun-16	16-Jun-19	16-Jun-24	47.56	13,338	20,672
Grant 17	Vest I	05-Feb-17	05-Feb-18	05-Feb-23	42.02	-	6,666
	Vest II	05-Feb-17	05-Feb-19	05-Feb-24	42.02	6,666	6,666
	Vest III	05-Feb-17	05-Feb-20	05-Feb-25	42.02	6,668	13,336
Grant 18	Vest I	23-Jun-17	23-Jun-18	23-Jun-23	52.84	63,332	140,664
	Vest II	23-Jun-17	23-Jun-19	23-Jun-24	52.84	123,664	207,330
	Vest III	23-Jun-17	23-Jun-20	23-Jun-25	52.84	179,340	233,340
Grant 19	Vest I	27-Jul-17	27-Jul-18	27-Jul-23	50.72	88,333	93,333
	Vest II	27-Jul-17	27-Jul-19	27-Jul-24	50.72	93,333	93,333
	Vest III	27-Jul-17	27-Jul-20	27-Jul-25	50.72	93,334	93,334
Grant 21	Vest I	25-Jun-18	25-Jun-19	25-Jun-24	54.89	115,000	120,000
	Vest II	25-Jun-18	25-Jun-20	25-Jun-25	54.89	115,000	140,000
	Vest III	25-Jun-18	25-Jun-21	25-Jun-26	54.89	115,000	140,000
Grant 22	Vest I	19-Jul-18	19-Jul-19	19-Jul-24	51.18	63,660	82,324
	Vest II	19-Jul-18	19-Jul-20	19-Jul-25	51.18	91,334	100,000
	Vest III	19-Jul-18	19-Jul-21	19-Jul-26	51.18	120,027	154,366
Grant 23	Vest I	23-Jan-19	23-Jan-20	23-Jan-25	53.46	-	-
	Vest II	23-Jan-19	23-Jan-21	23-Jan-26	53.46	-	20,000
	Vest III	23-Jan-19	23-Jan-22	23-Jan-27	53.46	20,000	50,000
Grant 24	Vest I	16-Jul-19	16-Jul-20	16-Jul-25	56.52	140,000	140,000
	Vest II	16-Jul-19	16-Jul-21	16-Jul-26	56.52	140,000	140,000
	Vest III	16-Jul-19	16-Jul-22	16-Jul-27	56.52	140,000	140,000
Grant 25	Vest I	10-Jul-20	10-Jul-21	10-Jul-26	53.89	345,000	385,000
	Vest II	10-Jul-20	10-Jul-22	10-Jul-27	53.89	425,000	425,000
	Vest III	10-Jul-20	10-Jul-23	10-Jul-28	53.89	425,000	425,000
Grant 26	Vest I	28-Sep-20	28-Sep-21	28-Sep-26	72.88	55,000	55,000
	Vest II	28-Sep-20	28-Sep-22	28-Sep-27	72.88	55,000	55,000
	Vest III	28-Sep-20	28-Sep-23	28-Sep-28	72.88	55,000	55,000
Grant 27	Vest I	07-Dec-20	07-Dec-21	07-Dec-26	99.45	-	25,000
	Vest II	07-Dec-20	07-Dec-22	07-Dec-27	99.45	25,000	25,000
	Vest III	07-Dec-20	07-Dec-23	07-Dec-28	99.45	25,000	25,000
Grant 28	Vest I	03-Jun-21	03-Jun-22	03-Jun-27	107.24	35,000	50,000
	Vest II	03-Jun-21	03-Jun-23	03-Jun-28	107.24	50,000	50,000
	Vest III	03-Jun-21	03-Jun-24	03-Jun-29	107.24	50,000	50,000
Grant 29	Vest I	18-Jun-21	18-Jun-22	18-Jun-27	150.86	356,666	356,666
	Vest II	18-Jun-21	18-Jun-23	18-Jun-28	150.86	356,666	356,666
	Vest III	18-Jun-21	18-Jun-24	18-Jun-29	150.86	356,668	356,668
Grant 30	Vest I	23-Aug-21	23-Aug-22	23-Aug-27	177.09	669,900	680,000
	Vest II	23-Aug-21	23-Aug-23	23-Aug-28	177.09	650,000	680,000
	Vest III	23-Aug-21	23-Aug-24	23-Aug-29	177.09	650,000	680,000
Grant 31	Vest I	19-Jul-22	19-Jul-23	19-Jul-28	201.36	736,666	-
Grant 31	Vest II	19-Jul-22	19-Jul-24	19-Jul-29	201.36	736,666	-
Grant 31	Vest III	19-Jul-22	19-Jul-25	19-Jul-30	201.36	736,668	-
Grant 32	Vest I	19-Jul-22	15-May-25	15-May-30	201.36	20,000	-
Grant 33	Vest II	19-Jul-22	23-Aug-25	23-Aug-30	201.36	640,000	-
Grant 34	Vest I	26-Aug-22	26-Aug-23	26-Aug-28	200.90	10,000	-
	Vest II	26-Aug-22	26-Aug-24	26-Aug-29	200.90	10,000	-
	Vest III	26-Aug-22	26-Aug-25	26-Aug-30	200.90	10,000	-

* Adjusted pursuant to the Scheme of arrangement (Refer note 35)

(All Amounts in Rs. Million, unless otherwise stated)

iii) Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model as per an independent valuer's report, having taken into consideration the market price being the latest available closing price prior to the date of the grant, exercise price being the price payable by the employees for exercising the option and other assumptions as annexed below:

Grant	Vests	Market price*	Volatility	Average life of the option	Risk less interest rate	Dividend yield rate	Fair value*
Grant 10	Vest I	28.40	40.75%	3.50	8.78%	3.96%	8.85
	Vest II	28.40	39.51%	4.50	8.73%	3.96%	9.48
	Vest III	28.40	46.99%	5.50	8.70%	3.96%	11.29
Grant 12	Vest I	23.75	42.73%	3.50	7.95%	3.50%	7.68
	Vest II	23.75	41.13%	4.50	7.93%	3.50%	8.21
	Vest III	23.75	39.89%	5.50	7.92%	3.50%	8.60
Grant 13	Vest I	29.77	43.53%	3.50	7.79%	3.50%	9.71
	Vest II	29.77	41.89%	4.50	7.86%	3.50%	10.40
	Vest III	29.77	40.55%	5.50	7.90%	3.50%	10.89
Grant 16	Vest I	47.56	48.89%	3.50	7.52%	3.01%	17.30
	Vest II	47.56	45.98%	4.50	7.52%	3.01%	18.20
	Vest III	47.56	44.05%	5.50	7.52%	3.01%	18.94
Grant 17	Vest I	42.02	48.75%	3.50	6.41%	3.01%	14.77
	Vest II	42.02	45.93%	4.50	6.41%	3.01%	15.49
	Vest III	42.02	44.36%	5.50	6.41%	3.01%	16.15
Grant 18	Vest I	52.84	47.76%	3.50	6.45%	2.35%	19.11
	Vest II	52.84	46.09%	4.50	6.45%	2.35%	20.60
	Vest III	52.84	43.93%	5.50	6.45%	2.35%	21.47
Grant 19	Vest I	50.72	47.64%	3.50	6.45%	2.35%	18.30
	Vest II	50.72	45.78%	4.50	6.45%	2.35%	19.67
	Vest III	50.72	43.85%	5.50	6.45%	2.35%	20.01
Grant 21	Vest I	54.89	44.86%	3.50	7.80%	1.43%	21.00
	Vest II	54.89	47.55%	4.50	7.80%	1.43%	24.44
	Vest III	54.89	46.15%	5.50	7.80%	1.43%	26.12
Grant 22	Vest I	51.18	45.06%	3.50	7.77%	1.43%	19.62
	Vest II	51.18	47.63%	4.50	7.77%	1.43%	22.79
	Vest III	51.18	46.30%	5.50	7.77%	1.43%	24.38
Grant 23	Vest I	53.46	43.80%	3.50	7.53%	1.43%	19.97
	Vest II	53.46	45.29%	4.50	7.53%	1.43%	22.90
	Vest III	53.46	46.75%	5.50	7.53%	1.43%	25.42
Grant 24	Vest I	56.52	42.39%	3.50	6.53%	1.10%	20.43
	Vest II	56.52	44.87%	4.50	6.53%	1.10%	23.91
	Vest III	56.52	47.04%	5.50	6.53%	1.10%	26.90
Grant 25	Vest I	53.89	43.86%	3.50	5.82%	2.67%	17.50
	Vest II	53.89	42.96%	4.50	5.82%	2.67%	19.02
	Vest III	53.89	44.66%	5.50	5.82%	2.67%	21.03
Grant 26	Vest I	72.88	45.58%	3.50	6.00%	3.07%	23.89
	Vest II	72.88	43.43%	4.50	6.00%	3.07%	25.26
	Vest III	72.88	45.53%	5.50	6.00%	3.07%	27.99
Grant 27	Vest I	99.45	46.55%	3.50	5.92%	3.07%	33.07
	Vest II	99.45	44.09%	4.50	5.92%	3.07%	34.77
	Vest III	99.45	45.80%	5.50	5.92%	3.07%	38.24
Grant 28	Vest I	107.24	46.77%	3.50	6.01%	3.15%	35.70
	Vest II	107.24	45.32%	4.50	6.01%	3.15%	38.17
	Vest III	107.24	44.62%	5.50	6.01%	3.15%	40.28
Grant 29	Vest I	150.86	48.34%	3.50	6.01%	3.15%	51.58
	Vest II	150.86	46.57%	4.50	6.01%	3.15%	54.84
	Vest III	150.86	45.60%	5.50	6.01%	3.15%	57.59
Grant 30	Vest I	177.09	48.68%	3.50	6.23%	3.52%	59.85
	Vest II	177.09	47.25%	4.50	6.23%	3.52%	63.73
	Vest III	177.09	45.32%	5.50	6.23%	3.52%	65.59
Grant 31	Vest I	201.36	48.68%	3.50	6.23%	3.52%	75.79
Grant 31	Vest II	201.36	47.25%	4.50	6.23%	3.52%	80.26
Grant 31	Vest III	201.36	45.32%	5.50	6.23%	3.52%	83.27
Grant 32	Vest I	201.36	48.68%	3.50	6.23%	3.52%	82.92
Grant 33	Vest II	201.36	47.25%	4.50	6.23%	3.52%	83.38
Grant 34	Vest I	200.90	48.68%	3.50	6.23%	3.52%	74.78
	Vest II	200.90	47.25%	4.50	6.23%	3.52%	79.34
	Vest III	200.90	45.32%	5.50	6.23%	3.52%	82.38

* Adjusted pursuant to the Scheme of arrangement (Refer note 35).

b) Expense arising from share-based payment transactions

Particulars	March 31, 2023	March 31, 2022
Expenses charged to statement of Profit and Loss based on fair value of options	118.96	67.07

(All Amounts in Rs. Million, unless otherwise stated)

27 Fair value measurements

(i) Fair value hierarchy

To provide indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard explained below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net asset value.
Level 2: The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:
- The use of quoted market prices for similar instruments.
- The fair value of forward foreign exchange contracts is determined using Mark to Market Valuation by the respective bank at the balance sheet date.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Financial instruments by category and hierarchy of measurement

	March 31, 2023				March 31, 2022			
	FVTPL	FVTPL	FVOCI	Amortised cost	FVTPL	FVTPL	FVOCI	Amortised cost
	Level 1	Level 2	Level 2		Level 1	Level 2	Level 2	
Financial assets								
Investments	2,127.13	-	-	699.00	144.19	-	-	850.00
Trade receivables	-	-	-	1,048.27	-	-	-	708.14
Cash and cash equivalents	-	-	-	1.84	-	-	-	1.32
Bank balances other than above	-	-	-	-	-	-	-	785.63
Other financial assets	-	-	-	419.80	-	-	-	942.10
Derivative assets	-	-	-	-	-	7.91	8.29	-
Total financial assets	**2,127.13**	**-**	**-**	**2,168.91**	**144.19**	**7.91**	**8.29**	**3,287.19**
Financial liabilities								
Lease liabilities	-	-	-	3.95	-	-	-	8.59
Trade payables	-	-	-	495.43	-	-	-	460.73
Other financial liabilities	-	-	-	256.34	-	-	-	265.83
Derivative liabilities	-	13.47	10.24	-	-	-	-	-
Total financial liabilities	**-**	**13.47**	**10.24**	**755.72**	**-**	**-**	**-**	**735.15**

As of March 31, 2023 and March 31, 2022, the fair value of cash and bank balances, trade receivables, other financial assets and liabilities, borrowings, trade payables approximate their carrying amount largely due to the nature of these instruments.

(All Amounts in Rs. Million, unless otherwise stated)

28 Financial risk management

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The finance committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 1,048.27 Million as of Mach 31, 2023 (Previous year Rs. 708.14 Million) and unbilled revenue amounting to Rs. 69.31 Million as of March 31, 2023 (Previous year Rs. 38.24 Million). Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned through individual subsidiaries, government customers and other corporate customers. The Company has used the expected credit loss model to assess the impairment loss or gain on trade receivables and unbilled revenue, and has provided it wherever appropriate. The following table gives the movement in allowance for expected credit loss for the year ended March 31, 2023:

Reconciliation of loss allowance provision

Particulars	Trade Receivables	Unbilled Revenue
Loss allowance as on April 1, 2021	**200.19**	**2.89**
Less: Bad Debts written off	1.00	-
Less: Reversal of Provision for Expected credit loss	(7.81)	-
Loss allowance as on March 31, 2022	**193.38**	**2.89**
Less: Reversal of Provision for Expected credit loss	(4.63)	-
Loss allowance as on March 31, 2023	**188.75**	**2.89**

(B) Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has working capital limits from banks. However, the Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

(i) Maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities:

Contractual maturities of financial liabilities:

	Less than 1 year	Between 1 and 2 years	Beyond 2 years	Total
March 31, 2023				
Trade payables	495.43	-	-	495.43
Lease liabilities	2.41	1.27	0.27	3.95
Other financial liabilities	253.83	-	2.51	256.34
	751.67	**1.27**	**2.78**	**755.72**
March 31, 2022				
Trade payables	460.73	-	-	460.73
Lease liabilities	4.52	2.52	1.55	8.59
Other financial liabilities	265.83	-	-	265.83
	731.08	**2.52**	**1.55**	**735.15**

	Less than 1 year	Between 1 and 2 years	Beyond 2 years	Total
March 31, 2023				
Derivative liabilities	23.71	-	-	23.71
	23.71	-	-	**23.71**
March 31, 2022				
Derivative liabilities	-	-	-	-
	-	-	-	-

(All Amounts in Rs. Million, unless otherwise stated)

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments measured at FVTPL and derivative financial instruments.

(i) Interest rate risk

As the Company is virtually debt-free, the exposure to interest rate risk from the perspective of financial liabilities is negligible.

(ii) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, GBP, EUR, CAD, CNY and NOK. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency. The Company evaluates its exchange rate exposure arising from these transactions and enters into foreign exchange forward contracts to hedge forecasted cash flows denominated in foreign currency and mitigate such exposure.

The company's exposure to foreign currency risk at the end of the reporting period expressed in Rs., are as follows

	March 31, 2023	March 31, 2022
Financial assets		
Trade receivables		
USD	785.59	504.64
GBP	108.12	63.93
EUR	274.36	95.83
CAD	53.95	66.77
CNY	-	-
Others	4.37	7.69
Net exposure to foreign currency risk (assets)	**1,226.39**	**738.86**
Financial liabilities		
Trade payables		
USD	47.79	101.50
GBP	36.72	30.44
NOK	33.24	33.74
EUR	58.32	17.04
Others	3.22	2.83
Net exposure to foreign currency risk (liabilities)	**179.29**	**185.55**

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on Profit and Loss for the year ended March 31, 2023		Impact on Profit and Loss for the year ended March 31, 2022	
	Gain / (Loss) on Appreciation	Gain / (Loss) on Depreciation	Gain / (Loss) on Appreciation	Gain / (Loss) on Depreciation
1% appreciation / depreciation in Indian Rupees against following foreign currencies *:				
USD	7.38	(7.38)	4.03	(4.03)
GBP	0.71	(0.71)	0.33	(0.33)
NOK	(0.33)	0.33	(0.34)	0.34
EUR	2.16	(2.16)	0.79	(0.79)
CAD	0.54	(0.54)	0.67	(0.67)
CNY	0.00	0.00	-	-
Others	0.01	(0.01)	0.05	(0.05)
Total	**10.47**	**(10.47)**	**5.53**	**(5.53)**

* Holding all other variables constant

USD: United States Dollar, GBP: Great Britain Pound sterling, NOK: Norwegian Krone, EUR: Euro, CAD: Canadian Dollar, CNY: Chinese yuan renminbi

(All Amounts in Rs. Million, unless otherwise stated)

(D) Impact of hedging activities

(a) Disclosure of effects of hedge accounting on financial position

	Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge Ratio*	Weighted average strike price/rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities	Assets	Liabilities					
	March 31, 2023									
	Foreign Exchange Risk									
(i)	Foreign exchange forward contracts	2,387.75	-	-	23.71	April 2023 to March 2024	1:1	Euro:- 89.64 USD:- 82.73 GBP:- 96.77 CAD:- 61.79	(18.53)	18.53
	March 31, 2022									
	Foreign Exchange Risk									
(i)	Foreign exchange forward contracts	1,438.96	-	16.20	-	April 2022 to March 2023	1:1	Euro:- 89.83 USD:- 77.77 GBP:- 104.43 CAD:- 61.31	(1.46)	1.46

*The foreign exchange forward are denominated in the same currency as the highly probable future sales, therefore the hedge ratio is 1:1. The entire amount of foreign currency loan (USD) is designated as hedge of net investment and hence the hedge ratio is 1:1.

(All Amounts in Rs. Million, unless otherwise stated)

29 Capital management

The primary objective of the management of the Company's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows. To maximise the shareholder value the management also monitors the return on equity.

The Board of directors regularly review the Company's capital structure in light of the economic conditions, business strategies and future commitments.

For the purpose of the Company's capital management, capital includes issued share capital, securities premium, all other reserves and debts.

During the financial year, no significant changes were made in the objectives, policies or processes relating to the management of the Company's capital structure.

There is no default on the repayment of borrowings (including interest thereon) during the year ended March 31, 2023.

Particulars	**March 31, 2023**	**March 31, 2022**
Lease liabilities[Refer note6(ii)]	3.95	8.59
Total Debt (A)	**3.95**	**8.59**
Equity share capital [Refer note 11(b)]	269.14	1,155.64
Other equity (Refer note 12)	4,647.91	2,609.23
Total Equity (B)	**4,917.05**	**3,764.87**
Profit after tax (C)	**992.63**	**584.83**
Opening Shareholders equity	3,764.87	3,153.51
Closing Shareholders equity	4,917.05	3,764.87
Average Shareholder's Equity (D)	**4,340.96**	**3,459.19**
Debt equity ratio (A/B)	0.00	0.00
Return on equity Ratio (%) (C/D)	22.9%	16.9%

(All Amounts in Rs. Million, unless otherwise stated)

30 Contingent Liabilities

a) Claims against the Company not acknowledged as debts:-

	As at	
	March 31, 2023	**March 31, 2022**
Customers	0.59	0.59
Indirect tax	19.42	19.42
Income Tax	30.80	-
	50.81	**20.01**

b) Guarantees

i. Bank Guarantees issued by Bankers outstanding at the end of the year Rs. 20.01 Million (Previous year Rs. 20.01 Million).

ii. Corporate Guarantee issued to ICICI Bank Canada to secure loan of up to CAD 5.00 Million, amount outstanding at the end of the year Nil, [Previous year Rs. 48.64 Million (CAD 0.80 Million)] availed by NIIT Learning Solutions (Canada) Limited. The Corporate Guarantee was closed during the current financial year.*

iii. Corporate Guarantee issued to ICICI Bank UK for availing working capital limit on behalf of NIIT Limited, UK up to GBP 4.20 Million, Amount Outstanding at the end of the year is Nil.*

* These corporate guarantees were issued by NIIT Limited and are in the process of being replaced by the corporate guarantees of NLSL pursuant to the Scheme of Arrangement.

31 Capital and Other Commitments

(a) Estimated amount of contracts remaining to be executed on capital account (net of advances) not provided for Rs. 7.67 Million (Previous year Rs.16.58 Million).

(b) For commitments related to lease arrangements, Refer note 6.

32 Segment Information

The Company is engaged in providing Education & Training Services in a single segment. Based on "Management Approach", as defined in Ind AS 108 – Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources based on the analysis of performance of the Company as a whole. Its operations are, therefore, considered to constitute a single segment in the context of Ind AS 108 – Operating Segments.

(All Amounts in Rs. Million, unless otherwise stated)

33 Earnings Per Share

	Year ended March 31, 2023	Year ended March 31, 2022
Profit attributable to Equity Shareholders (Rs. Million) (A)	992.63	584.83
Weighted average number of Equity Shares outstanding during the year (Nos.) – (B)	134,309,442	115,564,072
Add : Effect of Potential Dilutive Shares (being Stock options) (Nos.)	3,253,292	-
Weighted average shares outstanding considered for determining Diluted Earnings per Share (Nos.) - (C)	137,562,734	115,564,072
Nominal Value of Equity Shares (Rs.)	2	10
Basic Earnings per Share (Rs.) (A/B)	7.39	5.06
Diluted Earnings per Share (Rs.) (A/C)	7.22	5.06

Note : Pursuant to the Scheme, the entire eqity share capital of the Company of Rs. 10/- each is cancelled as on appointed date and the Company will issue one equity share of Rs. 2/- each in NLSL as fully paid up for every equity share of Rs. 2/- each held by the shareholders in NIIT. Therefore the earnings per share are strictly not comparable from previous year. [Refer notes 35(C) and (D)].

34 Related Party Transactions :

A. Related party relationship where control exists:

Subsidiaries

1 NIIT (USA) Inc, USA
2 St. Charles Consulting Group, LLC (subsidiary of entity at serial no. 1)
3 Stackroute Learning Inc, USA (subsidiary of entity at serial no. 1)
4 NIIT Limited, UK
5 NIIT Malaysia Sdn. Bhd, Malaysia
6 NIIT (Ireland) Limited
7 NIIT West Africa Limited
8 NIIT Learning Solutions (Canada) Limited (subsidiary of entity at serial no. 6)
9 Eagle international Institute Inc. USA (subsidiary of NIIT (USA) Inc., USA till June 30, 2021, merged with NIIT (USA) Inc, USA w.e.f. July 01, 2021)
10 Eagle Training Spain, S.L.U (subsidiary of entity at serial no. 9 till June 30, 2021, became subsidiary of NIIT (USA) Inc., USA w.e.f. July 1, 2021)
11 NIIT Mexico, S. DE R.L. DE C.V. (subsidiary of NIIT (USA) Inc., USA - incorporated on February 23, 2023)
12 NIIT Brazil LTDA (subsidiary of NIIT (USA) Inc., USA - incorporated on March 23, 2023)

B. Entities in which Key Management Personnel of the Company and NIIT Limited are same

1 NIIT Limited (Erstwhile Holding Company till March 31, 2022)*
2 NIIT Yuva Jyoti Limited (Liquidated on February 25, 2022)
3 NIIT Institute of Process Excellence Limited (Under Voluntary Liquidation w.e.f. February 19, 2020)
4 NIIT GC Limited, Mauritius
5 PT NIIT Indonesia, Indonesia (under liquidation)
6 NIIT China (Shanghai) Limited, Shanghai (subsidiary of entity at serial no. 4)
7 Chengmai NIIT Information Technology Company Limited, China (Closed w.e.f. August 18, 2022, subsidiary of entity at serial no. 6)
8 Chongqing An Dao Education Consulting Limited, China (subsidiary of entity at serial no. 6)
9 NingXia NIIT Education Technology Company Limited, China (Closed w.e.f. December 6, 2022, subsidiary of entity at serial no.6)
10 Guizhou NIIT Information Technology Consulting Co., Limited, China (under process of closing, subsidiary of entity at serial no.6)
11 NIIT (Guizhou) Education Technology Co., Limited, China (subsidiary of entity at serial no. 6)
12 NIIT Institute of Finance Banking and Insurance Training Limited
13 RPS Consulting Private Limited (w.e.f. October 01, 2021)

* Ceased to be wholly owned subsidiary of NIIT Limited, pursuant to the Composite Scheme of Arrangement between NIIT Limited and NIIT Learning Systems Limited as approved by Hon'ble National Company Law Tribunal vide its Order dated May 19, 2023 and the same became effective on May 24, 2023, with effect from an appointed date i.e. April 1, 2022.

(All Amounts in Rs. Million, unless otherwise stated)

C. Key Management Personnel

1 Mr. Rajendra S Pawar (Non-Executive Chairman-w.e.f. May 24, 2023)
2 Mr. Vijay K Thadani (Vice-Chairman & Managing Director w.e.f. May 24, 2023) (Non-Executive Director till May 23, 2023)
3 Mr. P Rajendran (Non-Executive Director- resigned w.e.f. May 24, 2023)
4 Mr. Sapnesh Kumar Lalla (Executive Director & Chief Executive Officer w.e.f. May 24, 2023) (Non-Executive Director till May 23, 2023)
5 Mr. Anand Sudarshan (Non-Executive Independent Director-tenure completed on March 13, 2021)
6 Ms. Lata Vaidyanathan (Non Executive Independent Director-tenure completed on May 08, 2021)
7 Mr. Ravinder Singh (Non-Executive Independent Director-w.e.f. May 20, 2023)
8 Ms. Sangita Singh (Non-Executive Independent Director- w.e.f. May 20, 2023)
9 Ms. Leher Vijay Thadani (Non-executive Director - w.e.f. May 24, 2023)
10 Mr. Ravindra Babu Garikipati (Non-Executive Independent Director-w.e.f May 24, 2023)
11 Mr. Umesh Kumar Gola (Chief Financial Officer-resigned w.e.f. September 30, 2021)
12 Mr. Sanjay Kumar Jain (Chief Financial Officer- resigned w.e.f. May 24, 2023)
13 Mr. Sanjay Mal (Chief Financial Officer-w.e.f. May 24, 2023)
14 Mr. Siddharth Nath (Company Secretary-Resigned w.e.f. May 24, 2023)
15 Mr. Deepak Bansal (Company Secretary-w.e.f. May 24, 2023)
16 Ms. Leena Khokha (Manager-resigned w.e.f. April 30, 2023)
17 Ms. Mita Brahma (Non-Executive Director-resigned w.e.f. May 24, 2023)

D. Other related parties with whom Company has transacted

Parties in which the Key Management Personnel of the Company are deemed to be interested

1 NIIT Institute of Information Technology
2 NIIT University

E. Key management personnel compensation*	Year ended	
	March 31, 2023	March 31, 2022
Short-term employee benefits	9.58	8.10
Post-employment benefits	1.19	2.00
Share based payments	6.74	3.20
Total compensation	**17.51**	**13.30**

*Further, pursuant to Scheme of Arrangement (Refer note 35), remuneration of Key Management Personnel of NIIT Limited amounting to Rs. 147.52 Million (Previous year Rs. 162.64 Million) allocated to NLSL is not included above.

F. Terms and conditions

Transactions relating to dividends, subscriptions for new equity shares were on the same terms and conditions that applied to other shareholders.

Transactions with related parties during the year were based on terms that would be available to third parties. All other transactions were made in ordinary course of business and at arm's length price.

All outstanding balances are unsecured and are repayable in cash.

(All Amounts in Rs. Million, unless otherwise stated)

G. Details of significant transactions with related parties :

Nature of Transactions	Subsidiaries	Parties in which Key Management Personnel of the Company are deemed to be interested	Entities in which KMP of the Company and NIIT Limited are same	Total
Sale of Property, Plant and equipment	-	-	-	**-**
	(-)	(-)	(0.40)	**(0.40)**
Sale of Services	2,537.41	-	43.60	**2,581.01**
	(2,104.01)	(-)	(32.55)	**(2,136.56)**
Purchase of Services-Professional Technical & Outsourcing expenses and others	485.43	-	39.20	**524.63**
	(313.92)	(-)	(20.87)	**(334.79)**
Recovery from subsidiaries for Corporate and Management Support Services	331.72	-	-	**331.72**
	(267.48)	(-)	(-)	**(267.48)**
Recovery of share based payments from	101.98	-	-	**101.98**
	(57.92)	(-)	(-)	**(57.92)**
Recovery of other expenses from	13.55	-	-	**13.55**
	(6.29)	(-)	(-)	**(6.29)**
Recovery of other expenses from (under the head other income)	34.39	-	-	**34.39**
	(-)	(-)	(-)	**(-)**
Recovery of Professional Technical & Outsourcing expenses by	34.33	-	10.33	**44.66**
	(34.80)	(-)	(-)	**(34.80)**
Recovery of other expenses by	3.29	1.12	0.02	**4.43**
	(0.49)	(-)	(-)	**(0.49)**
Corporate Guarantee Charges (included in Other Non-Operating Income)	2.70	-	-	**2.70**
	(3.60)	(-)	(-)	**(3.60)**
Expenditure towards Corporate Social Responsibility (CSR) activities	-	15.30	-	**15.30**
	(-)	(5.70)	(-)	**(5.70)**

Previous year figures of March 31, 2022 are given in parenthesis.
Refer notes 30 and 31 for Guarantees, collaterals and commitments.

H. Outstanding Balances:

Particulars	Key Management Personnel	Subsidiaries	Parties in which Key Management Personnel of the Company are deemed to be interested	Entities in which KMP of the Company and NIIT Limited are same	Total
Receivable					
March 31, 2023	-	974.74	-	12.27	987.01
March 31, 2022	-	587.30	-	11.67	598.97
Payables					
March 31, 2023	0.05	174.50	0.08	15.84	190.47
March 31, 2022	0.08	164.95	-	27.27	192.30

Refer notes 30 and 31 for Guarantees, collaterals and commitments as at the year end.

(All Amounts in Rs. Million, unless otherwise stated)

35 Composite Scheme of Arrangement

(A) The Board of Directors of NIIT Limited, in its meeting held on January 28, 2022 approved a Composite Scheme of Arrangement ("Scheme")under Section 230 to 232 and other applicable provisions of the Companies Act 2013 between NIIT Limited ("Transferor Company" or "NIIT") and NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited) ("Transferee Company" or "NLSL") a wholly owned subsidiary of the Company and their respective shareholders and creditors ("Scheme"). The Scheme inter-alia provides for, (i) Transfer and Vesting of Demerged Undertaking by the Transferor Company to Transferee Company, (ii) Reduction and cancellation of Share Capital of Transferee Company held by Transferor Company, (iii) Issuance and allotment of shares by the Transferee Company to the shareholders of Transferor Company in consideration of transfer of Demerged undertaking.

On May 19, 2023, the National Company Law Tribunal (NCLT), Chandigarh Bench sanctioned/ approved the Composite Scheme of Arrangement. which was made effective on May 24, 2023 upon filing of the certified copies of the NCLT Orders sanctioning the Scheme with the respective jurisdictional Registrar of Companies. Pursuant to the Scheme becoming effective, the Demerged Undertaking (“Demerged Undertaking”) is demerged from NIIT and transferred to and vested in NLSL with effect from April 1, 2022 i.e. the Appointed Date as per Scheme.

The transactions pertaining to the Demerged Undertaking of NIIT from the appointed date upto the effective date of the Scheme have been made by NIIT on behalf of NLSL as per the Scheme.

The transfer of the Demerged Undertaking is accounted for in the books of the NLSL using the pooling of interest method in accordance with Appendix C “Business Combinations of entities under common control” of the Indian Accounting Standard (IND- AS) 103-Business Combinations and the financial statements for the year ended March 31, 2022 have been restated in accordance with the requirements of Ind AS 103. Consequently, the figures for the year ended March 31, 2022 have been restated to give impact of the Scheme of Arrangement.

The details of assets and liabilities transferred to the Company are as under :

PARTICULARS	April 01, 2022	April 01, 2021
ASSETS		
Non-current assets		
Property, plant and equipment	96.09	67.98
Other intangible assets	32.80	99.07
Right-of-use assets	7.64	8.88
Intangible assets under development	24.52	8.21
Financial assets		
Investments	940.64	940.64
Other financial assets	0.24	1.00
Deferred tax assets (net)	117.89	120.02
Income tax assets (net)	-	11.60
Other non-current assets	16.77	0.14
Total non-current assets	**1,236.59**	**1,257.54**
Current Assets		
Financial assets		
Investments	925.37	1,822.78
Trade receivables	674.88	531.46
Bank balances other than above	785.63	-
Other financial assets	937.00	305.37
Other current assets	101.84	60.25
Total current assets	**3,424.72**	**2,719.86**
TOTAL ASSETS	**4,661.31**	**3,977.40**
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Lease liabilities	4.07	8.28
Total non-current liabilities	**4.07**	**8.28**
Current liabilities		
Financial liabilities		
Lease liabilities	4.20	1.17
Trade payables	358.39	366.89
Other financial liabilities	257.16	161.00
Other current liabilities	77.79	110.08
Provisions	190.52	204.17
Income tax liabilities (net)	27.61	-
Total current liabilities	**915.67**	**843.31**
TOTAL LIABILITIES	**919.74**	**851.59**
Net Assets Received	**3,741.57**	**3,125.81**

Pursuant to the Scheme of Arrangement, the difference between the book value of the assets and liabilities transferred, has been credited to the following reserves of the Company:

PARTICULARS	April 01, 2022	April 01, 2021
Employees Stock Option Outstanding	149.50	85.36
Hedging Reserve Account	8.29	9.75
Retained Earnings	3,583.78	3,030.70
	3,741.57	**3,125.81**

(All Amounts in Rs. Million, unless otherwise stated)

(B) Basis of Carve Out Financials with respect to Demerged Undertaking

The Financial Information is prepared in accordance with the Guidance Note on 'Combined and Carve-out Financial information' ("Guidance Note") issued by the Institute of Chartered accounts of India ("ICAI") which sets out overall framework for the preparation and presentation of the carve-out Financial Information. In preparing the said carve-out Financial Information, principles as set out in the Guidance Note and accounting method prescribed in the Scheme have been applied as below:

i. The directly identifiable assets, liabilities, income and expenditures of the demerged undertaking are based on the books of accounts and underlying accounting records maintained by the Company.

ii. All other assets including Fixed deposits, current investments in mutual funds liabilities, income and expenditures, (including Common in nature) have been allocated on the basis of Revenue, or any other reasonable basis as approved by the Board. Balance of Employees Stock Option Outstanding is transferred based on net book value of assets transferred of demerged undertaking over net worth of the NIIT Limited as on the appointed date pre-demerger.

(C) Pursuant to the Scheme, 115,564,072 equity shares of Rs. 10/- each of the NLSL amounting to Rs. 1,155.64 Million held by NIIT stands cancelled as per the Scheme w.e.f. Appointed Date. Consequently, NLSL has ceased to be subsidiary of NIIT Limited. The amount of equity share capital stands reduced and cancelled and correspondingly adjusted to the retained earnings and securities premium to the extent available and balance equity share capital of Rs. 23.30 Million is transferred to capital reserve.

(D) Pursuant to the Scheme, the Company will issue and allot equity shares to the shareholders of NIIT Limited whose name appears in the register of members of NIIT as on the record date i.e. June 8, 2023, one equity share of Rs. 2/- each in NLSL as fully paid up for every equity share of Rs. 2/- each held by them in NIIT and the equity share capital of Rs. 269.14 Millions to be issued has been disclosed as Share Suspense Account under the head Equity Share Capital as on March 31, 2023. Scheme Related Expenses post appointed date are allocated equally between NIIT and NLSL, expenses incurred before appointed date are allocated to NIIT as per the Scheme.

(E) Reconciliation of profits as per this financial statements and the audited standalone financial statements for the year ended March 31, 2022 adopted at the meeting of Board of Directors dated May 14, 2022:

Particulars	Amount
Profit for the year ended March 31, 2022 of the Company as per financial statement issued on May 14,2022 **(a)**	**(4.83)**
Profits/(Loss) of: Demerged undertaking	
Revenue	3,193.91
Other Income	397.66
Expenses	(2,924.76)
Profit before tax	**666.81**
Tax Expenses	77.15
Profit after tax	**589.66**
Sub total (b)	**589.66**
Restated Profit for the year ended March 31, 2022 (a+b)	**584.83**

(All Amounts in Rs. Million, unless otherwise stated)

36 Additional Regulatory Information

i) There are no immovable properties included in Property Plant and Equipment, whose title deeds are not held in the name of the Company.

ii) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) and intangible assets during the year ended March 31, 2023.

iii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

iv) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority, as per the available information.

v) Relationship with Struck off Companies

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as on March 31, 2023	Balance outstanding as on March 31, 2022	Relationship with the struck off company, if any, to be disclosed
Assam Computer Services Private Limited	Trade Payables	0.05	0.05	None
Vijaya Lakshmi Softtech Private Limited	Trade Receivable	0.01	0.01	None
North East Info Services Private Limited	Trade Receivable	0.90	-	None

vi) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

vii) The Company has not traded or invested in cryptocurrency transactions during the financial year and there is no balance as at year end.

viii) **Ratio Analysis and its elements**

Ratios	Numerator	Denominator	March 31, 2023	March 31, 2022	%Change	Reasons for variance
Current Ratio	Current Assets	Current Liabilities	4.0	3.4	18%	
Debt- Equity Ratio	Total Debt = Borrowings + Lease liabilities	Shareholder's Equity	0.00	0.00	0%	
Debt Service Coverage Ratio	Earnings available for debt service=Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt Service	228.2	153.9	48%	Improvement in profitability has resulted in better debt service coverage ratio.
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	22.9%	16.9%	36%	Improvement in profitability has resulted in improvement in the ratio.
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	2.0	1.3	54%	Due to lower average inventory has resulted in improvement in the ratio.
Trade Receivable Turnover Ratio	Total sales	Trade receivables	3.9	4.6	(15%)	
Trade Payable Turnover Ratio	Total purchases	Trade creditors	3.0	2.5	20%	
Net Capital Turnover Ratio	Net Sales	Average Working Capital (i.e. Total current assets less Total current liabilities)	139.9%	150.2%	(7%)	
Net Profit Ratio	Net Profit	Net Sales	24.6%	17.8%	38%	Improvement in profitability has resulted in improvement in the ratio.
Return on Capital Employed	Earnings before interest & taxes	Capital employed = Tangible Net worth + Lease liabilities + Borrowings	22.9%	19.3%	19%	
Return on Investment						
Mutual funds	Income generated from invested funds	Weighted average investments	4.08%	2.83%	46%	Return on Debt Mutual funds is higher in current year, which resulted in Mark-to-Market(MTM) gain in the Debt MFs.
Fixed deposits	Income generated from invested funds	Weighted average investments	6.29%	5.12%	24%	

ix) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

x) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

37 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

38 Previous year/ period figures have been regrouped / reclassified to conform the current period classification.
Signatures to Notes ' 1 ' to ' 38 ' above of these Financial Statements.

For S.R.Batliboi & Associates LLP
Chartered Accountants
Firm Registration No.: 101049W/E300004

For and on behalf of the Board of Directors of NIIT Learning Systems Limited

Sanjay Bachchani
Partner
Membership No. 400419

Rajendra S Pawar
Chairman
DIN - 00042516

Vijay K Thadani
Vice-Chairman & Managing Director
DIN - 00042527

Sapnesh Kumar Lalla
Executive Director &
Chief Executive Officer
DIN - 06808242

Sanjay Mal
Chief Financial Officer

Deepak Bansal
Company Secretary

Place: Gurugram
Date : May 29, 2023

Place: Gurugram
Date : May 29, 2023

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

INDEPENDENT AUDITOR'S REPORT

To the Members of NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of NIIT Learning System Limited (Formerly known as Mindchampion Learning Systems Limited) ("the Company"), which comprise the Balance sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind-AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss including other comprehensive gain, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind-AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

S.R. Batliboi & Associates LLP Gurugram

Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

S.R. Batliboi & Associates LLP
Gurugram

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind-AS financial statements, including the disclosures, and whether the Ind-AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account ;

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

S.R. Batliboi & Associates LLP * Gurugram *

(g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 29 to the Ind-AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 33 (i) to the Ind-AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 33 (ii) to the Ind-AS financial statements, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sanjay Bachchani
Partner
Membership Number: 400419

S.R. Batliboi & Associates LLP ★ Gurugram ★

UDIN: 22400419AIZQCE3856
Place of Signature: Gurugram
Date: May 14, 2022

Annexure 1 referred to in paragraph under heading "Report on other legal and regulatory requirements" of our report of even date

Re: NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited) ("The Company")

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) The property, plant and equipment are physically verified by the management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regards to the size of the Company and nature of its assets. Pursuant to the programme, a portion of property, plant and equipment has been physically verified by the Management during the year and no material discrepancies have been noted on such verification.

(c) There is no immovable property held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification. There was no inventory lying with third parties.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

iii. (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

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Gurugram

(d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

iv. There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Act are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not specified the maintenance of cost records under section 148(1) of the Act for the products of the Company.

vii. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, value added tax, cess and other statutory dues applicable to it. The provisions relating to duty of customs, duty of excise and service tax are not applicable to the Company. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of value added tax and sales tax have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in thousands)	Period to which the amount relates	Forum where the dispute is pending
Haryana Value Added Tax Act 2003	Value added tax and sales tax	19,423	2016-17	Joint Commissioner excise and taxation

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

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(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by secretarial auditor and by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. The requirement to appoint cost auditor is not applicable to the Company.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. (a) The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(b) The Company is not a nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.

(c) The Company is not a nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.

xiii. Transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

xiv. (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

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Gurugram

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has incurred cash losses amounting to Rs. 13,412 thousand in the current year and amounting to Rs. 90,792 thousand in the immediately preceding financial year respectively.

xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix. On the basis of the financial ratios disclosed in note 33 to the financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and considering the Company's current liabilities exceeds the current assets by Rs. 18,464 thousand, the Company has obtained the letter of financial support from the Holding Company, nothing has come to our attention, which causes us to believe that Company is not capable of meeting its liabilities, existing at the date of balance sheet, as and when they fall due within a period of one year from the balance sheet date. We, further state that this is not an assurance as to the future viability of the Company and our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The provisions of Section 135 of the Act are not applicable to the Company and accordingly, the requirement to report on clause xx(a) and xx(b) of the Order are not applicable to the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Sanjay Bachchani
Partner
Membership Number: 400419

S.R. Batliboi & Associates LLP
Gurugram

UDIN: 22400419AIZQCE3856
Place of Signature: Gurugram
Date: May 14, 2022

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF NIIT LEARNING SYSTEMS LIMITED (FORMERLY KNOWN AS MINDCHAMPIION LEARNING SYSTEMS Limited)

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

We have audited the internal financial controls with reference to Ind AS financial statements of NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited) ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to these Ind AS Financial Statements

A company's internal financial controls with reference to Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Ind AS financial

S.R. Batliboi & Associates LLP
Gurugram

statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Ind AS Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sanjay Bachchani
Partner
Membership Number: 400419

S.R. Batliboi & Associates LLP * Gurugram *

UDIN: 22400419AIZQCE3856
Place of Signature: Gurugram
Date: May 14, 2022

NIIT LEARNING SYSTEMS LIMITED
(Formerly Known as Mindchampion Learning Systems Limited)
CIN: U72200HR2001PLC099478
Balance Sheet as at March 31, 2022

(All amounts in Rs. thousands, unless stated otherwise)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	54.37	321.83
Intangible assets	4	-	0.04
Right-of-use assets	5(ii)	316.77	177.53
Financial assets			
Trade receivables	7(ii)	-	68.75
Other financial assets	7(iii)	20,321.80	-
Income Tax Assets (net)	8	21,072.04	20,898.56
Total non-current assets		**41,764.98**	**21,466.71**
Current assets			
Inventories	9	5,418.35	17,195.13
Financial assets			
Investments	7(i)	68,820.08	46,929.05
Trade receivables	7(ii)	35,025.01	59,214.11
Cash and cash equivalents	7(iv)	1,322.48	16,451.26
Bank balances other than above	7(v)	-	7,000.00
Other financial assets	7(iii)	1,289.70	1,562.28
Other current assets	10	7,410.70	10,231.66
Total current assets		**119,286.32**	**158,583.49**
TOTAL ASSETS		**161,051.30**	**180,050.20**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	11	1,155,640.72	1,155,640.72
Other equity			
Reserves and surplus	12(i)	(1,275,056.86)	(1,270,654.27)
Other reserves	12(ii)	142,717.18	142,717.18
TOTAL EQUITY		**23,301.04**	**27,703.63**
LIABILITIES			
Non-current liabilities			
Other non-current liabilities	15	-	5.21
Total non-current liabilities		**-**	**5.21**
Current liabilities			
Financial liabilities			
Lease Liabilities	5(ii)	317.97	183.69
Trade payables	13(i)		
(a) Total outstanding dues of micro enterprises and small enterprises		87.64	-
(b) Total outstanding dues of Creditors other than Micro enterprises & small enterprises		105,195.90	108,582.63
Other financial liabilities	13(ii)	8,696.75	11,624.31
Provisions	14	6,567.51	10,135.71
Other current liabilities	15	16,884.49	21,815.02
Total current liabilities		**137,750.26**	**152,341.36**
TOTAL LIABILITIES		**137,750.26**	**152,346.57**
TOTAL EQUITY AND LIABILITIES		**161,051.30**	**180,050.20**

The accompanying notes form an integral part of these financial statements.
As per our report of even date.

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No. 101049W/E300004

Sanjay Bachchani
Partner
Membership No. 400419

S.R. Batliboi & Associates LLP Gurugram

Place: Gurugram
Date: May 14, 2022

For and on behalf of the Board of Directors of
NIIT Learning Systems Limited
(Formerly Known as Mindchampion Learning Systems Limited)

P Rajendran
Director
DIN - 00042531

Vijay K Thadani
Director
DIN - 00042527

Sanjay Kumar Jain
Chief Financial Officer

Siddharth Nath
Company Secretary

NIIT Learning Systems Limited Gurugram

Place: Gurugram
Date: May 14, 2022

NIIT LEARNING SYSTEMS LIMITED
(Formerly Known as Mindchampion Learning Systems Limited)
CIN: U72200HR2001PLC099478

Statement of Profit and Loss for the year ended March 31, 2022

(All amounts in Rs. thousands, unless stated otherwise)

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	16	91,121.85	130,245.37
Other income	17	15,939.74	15,564.61
Total Income		**107,061.59**	**145,809.98**
Expenses			
Purchase of stock-in-trade		1,093.89	7,552.86
Changes in inventories of stock-in-trade	9	11,776.78	9,110.05
Professional & technical outsourcing expenses		17,861.76	19,504.30
Employee benefits expenses	18	65,948.20	145,467.20
Finance costs	19	53.39	17,913.64
Depreciation and amortisation expense	3, 4 & 5 (ii)	432.84	8,105.61
Other expenses	20	14,150.30	56,861.26
Total Expenses		**111,317.16**	**264,514.92**
Loss before exceptional items and tax		**(4,255.57)**	**(118,704.94)**
Exceptional items (net)	22	(295.00)	(41,764.94)
Loss before Tax		**(4,550.57)**	**(160,469.88)**
Income tax expense:	23		
Current tax		271.02	774.94
Total Tax Expenses		**271.02**	**774.94**
Loss for the year		**(4,821.59)**	**(161,244.82)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
a) Remeasurement of the defined benefit obligation	26	419.00	5,754.00
b) Income tax effect		-	-
Total other comprehensive income for the year, net of tax		**419.00**	**5,754.00**
Total comprehensive loss for the year		**(4,402.59)**	**(155,490.82)**
Loss per equity share (Face Value Rs. 10/- each):	27		
-Basic		(0.04)	(1.72)
-Diluted		(0.04)	(1.72)

The accompanying notes form an integral part of these financial statements.
As per our report of even date.

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No: 101049W/E300004

Sanjay Bachchani
Partner
Membership No. 400419

S.R. Batliboi & Associates LLP Gurugram

Place: Gurugram
Date: May 14, 2022

For and on behalf of the Board of Directors of
NIIT Learning Systems Limited
(Formerly Known as Mindchampion Learning Systems Limited)

P Rajendran
Director
DIN - 00042531

Vijay K Thadani
Director
DIN - 00042527

Sanjay Kumar Jain
Chief Financial Officer

Siddharth Nath
Company Secretary

NIIT Learning Systems Limited Gurugram

Place: Gurugram
Date: May 14, 2022

NIIT LEARNING SYSTEMS LIMITED
(Formerly Known as Mindchampion Learning Systems Limited)
CIN: U72200HR2001PLC099478
Statement of changes in equity for the year ended March 31, 2022

(All amounts in Rs. thousands, unless stated otherwise)

a) Equity Share Capital

Particulars	**Numbers**	**Amount**
Equity share of Rs. 10 each issued, subscribed and fully paid		
Balance at April 1, 2020	**69,064,072**	**690,640.72**
Issue of equity share capital	46,500,000	465,000.00
Balance at March 31, 2021	**115,564,072**	**1,155,640.72**
Balance at April 1, 2021	**115,564,072**	**1,155,640.72**
Issue of equity share capital	-	-
Balance at March 31, 2022	**115,564,072**	**1,155,640.72**

b) Other Equity	**Reserves and surplus**		**Other reserves**	**Total**
	Securities premium	**Retained earnings**		
Balance as at April 1, 2020	20,000.00	(1,135,163.45)	146,317.18	(968,846.27)
Loss for the year	-	(161,244.82)	-	(161,244.82)
Other comprehensive income (net of tax)	-	5,754.00	-	5,754.00
Expenses for issue of equity share capital	-	-	(3,600.00)	(3,600.00)
Total Comprehensive loss for the year	-	(155,490.82)	(3,600.00)	(159,090.82)
Balance as at March 31, 2021	**20,000.00**	**(1,290,654.27)**	**142,717.18**	**(1,127,937.09)**
Balance as at April 1, 2021	20,000.00	(1,290,654.27)	142,717.18	(1,127,937.09)
Loss for the year	-	(4,821.59)	-	(4,821.59)
Other comprehensive income (net of tax)	-	419.00	-	419.00
Total Comprehensive loss for the year	-	(4,402.59)	-	(4,402.59)
Balance as at March 31, 2022	**20,000.00**	**(1,295,056.86)**	**142,717.18**	**(1,132,339.68)**

The accompanying notes form an integral part of these financial statements.
As per our report of even date.

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No: 101049W/E300004

Sanjay Bachchani
Partner
Membership No. 400419

S.R. Batliboi & Associates LLP * Gurugram *

Place: Gurugram
Date: May 14, 2022

For and on behalf of the Board of Directors of
NIIT Learning Systems Limited
(Formerly Known as Mindchampion Learning Systems Limited)

P Rajendran
Director
DIN - 00042531

Vijay K Thadani
Director
DIN - 00042527

Sanjay Kumar Jain
Chief Financial Officer

Siddharth Nath
Company Secretary

NIIT Learning Systems Limited * Gurugram

Place: Gurugram
Date: May 14, 2022

NIIT LEARNING SYSTEMS LIMITED
(Formerly Known as Mindchampion Learning Systems Limited)
CIN: U72200HR2001PLC099478
Statement of Cash Flow for the year ended March 31, 2022

(All amounts in Rs. thousands, unless stated otherwise)

	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash Flow From Operating Activities:		
Loss before exceptional items and tax	**(4,255.57)**	**(118,704.94)**
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation and amortisation	432.84	8,105.61
Allowance for doubtful debts (net of reversal)	(7,814.70)	24,121.90
Allowance for doubtful advances and deposits	49.59	27.20
Provision / Other Liabilities written back	(2,424.10)	(5,710.89)
Provision for slow/Non- moving Inventory (Net)	1,992.05	2,227.10
Unrealised foreign exchange (gain)/ loss	(85.99)	246.57
Finance cost	53.39	17,913.64
Interest income	(2,105.07)	(5,591.63)
Gain on termination of Leases (Net)	-	(18.61)
Gain on sale of property, plant and equipment	(738.37)	(664.20)
Net gain on Investment carried at fair value through profit and loss	(1,894.34)	(431.83)
Operating loss before working capital changes	**(16,790.27)**	**(78,480.08)**
Working Capital Adjustments:		
Decrease in trade payables	(3,521.33)	(84,785.49)
Decrease in short term provisions	(3,149.20)	(1,514.59)
Decrease in other current liabilities	(2,506.43)	(14,274.03)
Decrease in other non-current financial liabilities	-	(100.00)
Decrease in other non-current liabilities	(5.21)	(24.87)
Decrease in other current financial liabilities	(2,927.56)	(14,660.51)
Decrease in current trade receivables	32,017.03	59,191.45
Decrease in non current trade receivables	68.75	966.47
Decrease in inventories	9,784.73	6,882.95
(Increase)/Decrease in other current financial assets	(62.50)	727.99
Decrease in other Non- current financial assets	-	30.00
Decrease in other non-current assets	-	37.32
Decrease in other current assets	2,771.37	5,937.64
Net Cash generated from / (used in) operations before tax	**15,679.38**	**(120,065.75)**
Direct Tax- (paid including TDS) / refund received (Net)	(444.50)	22,289.26
Net Cash flow generated from / (used in) operating activities (A)	**15,234.88**	**(97,776.49)**

	March 31, 2022	March 31, 2021
B. Cash Flow From Investing Activities:		
Purchase of property, plant and equipment (including capital work-in-progress, internally generated intangibles and capital advances)	(9.38)	(686.60)
Proceeds from sale of Property, Plant and Equipment	786.34	891.30
Interest received	1,898.46	5,496.21
Encashment of bank deposits (net of placement)	(12,780.11)	(7,000.00)
Purchase of Mutual Funds	(66,496.69)	(55,497.22)
Proceeds from sale of Mutual Funds	46,500.00	9,000.00
Net cash flow used in investing activities (B)	**(30,101.38)**	**(47,796.31)**

NIIT Learning Systems Limited Gurugram GURUGRAM

S.R. Batliboi & Associates LLP Gurugram

NIIT LEARNING SYSTEMS LIMITED
(Formerly Known as Mindchampion Learning Systems Limited)
CIN: U72200HR2001PLC099478
Statement of Cash Flow for the year ended March 31, 2022

(All amounts in Rs. thousands, unless stated otherwise)

		Year ended	
		March 31, 2022	March 31, 2021
C.	**Cash Flow From Financing Activities:**		
	Loan taken from Holding Company	-	50,000.00
	Repayments of borrowings	-	(350,000.00)
	Interest paid on cash credit, borrowings and others	(45.76)	(18,190.48)
	Payment of Lease Liabilities	(216.52)	(546.25)
	Issue of equity share capital	-	465,000.00
	Expense for issue of equity share capital	-	(3,600.00)
	Net Cash flow (used in) /generated from financing activities (C)	**(262.28)**	**142,663.27**
	Net Decrease in Cash & Cash Equivalents (A) + (B) + (C)	**(15,128.78)**	**(2,909.53)**
	Cash and Cash Equivalents at the beginning of the financial year	16,451.26	19,360.79
	Cash and Cash Equivalents as at the end of the financial year	**1,322.48**	**16,451.26**

Reconciliation of cash and cash equivalents as per the cash flow statement

		As at	
1	**Particulars**	**March 31, 2022**	**March 31, 2021**
	Composition of Cash and cash equivalents included in the statement of cash flows comprise of the following balance sheet amounts:		
	Current accounts	1,322.48	2,588.56
	Deposits with original maturity of less than 3 months	-	13,000.00
	Cheques and drafts on hand	-	862.70
	Total	**1,322.48**	**16,451.26**

2 Figures in parenthesis indicate cash outflow.
3 The cash flow statement has been prepared using the indirect method as set out in Ind-AS 7.

The accompanying notes form an integral part of these financial statements.
As per our report of even date.

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No. 101049W/E300004

Sanjay Bachchani
Partner
Membership No. 400419

S.R. Batliboi & Associates LLP Gurugram

Place: Gurugram
Date: May 14, 2022

For and on behalf of the Board of Directors of
NIIT Learning Systems Limited
(Formerly Known as Mindchampion Learning Systems Limited)

P Rajendran
Director
DIN - 00042531

Vijay K Thadani
Director
DIN - 00042527

Sanjay Kumar Jain
Chief Financial Officer

Siddharth Nath
Company Secretary

Place: Gurugram
Date: May 14, 2022

NIIT Learning Systems Limited Gurugram

NIIT LEARNING SYSTEMS LIMITED
(Formerly Known as Mindchampion Learning Systems Limited)
CIN: U72200HR2001PLC099478
Notes to the Financial Statements for the year ended March 31, 2022

1 Company Information

NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited), (' the Company') was set up in 2001 and was involved in the research and development activities for the purpose of discovering the extent to which poor children in rural and slum areas in India can access and learn from web based curriculum using a purpose built 'Internet Kiosk'. Pursuant to a Scheme of Arrangement, the School Business Undertaking (SLS) of NIIT Limited was transferred to the Company w.e.f. May 23, 2015 from appointed date of April 1, 2014. Presently, the Company is primarily in the business of providing education services and other related solutions to schools across India. The current registered place of business of the Company is Plot No. 85, Sector - 32, Institutional Area, Gurugram - 122001 (Haryana) India.

During the year, the Company's registered office has been shifted to Plot No. 85, Sector - 32, Institutional Area, Gurugram - 122001 (Haryana) India, w.e.f. November 5, 2021, pursuant to the approval of Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi.

During the year, the name of the Company has been changed from "Mindchampion Learning Systems Limited" to "NIIT Learning Systems Limited" w.e.f. January 18, 2022 vide certificate of incorporation issued by Ministry of Corporate Affairs, Government of India.

2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

(i) Compliance with Ind AS

These financial statements ('financial statements') have been prepared in accordance with the Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules as amended from time to time by the Ministry of Corporate Affairs ('MCA').

The financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and division II of schedule III of the Companies Act 2013. Further, for the purpose of clarity, various items are aggregated in the statement of profit and loss and balance sheet. Nonetheless, these items are dis-aggregated separately in the notes to the financial statements, where applicable or required. All the amounts included in the financial statements are reported in Indian Rupees ('Rupees' or 'Rs.') and are rounded to the nearest thousands, within two decimals, except per share data unless stated otherwise.

The net worth of the Company is Substantially eroded as at March 31, 2022. The holding company NIIT Limited has committed operational and financial support to the Company for it to be able to meet future liabilities. Accordingly Company's Financial Statements have been prepared on an going concern basis.

The financial statements were authorized for issue by the Board of Directors of the Company on May 14, 2022.

(ii) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:
• Financial assets and liabilities (including derivative instruments) that are measured at fair value or amortised cost
• Defined benefit plans – plan assets measured at fair value
• Share-based payments (ESOP's)

b) Foreign currency translation

i. Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (Rs.), which is the Company's functional and presentation currency.

ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the statement of profit and loss.

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c) Current - non-current classification

Assets and liabilities are classified into current and non-current as follows:

Assets

An asset is classified as current when it satisfies any of the following criteria:

• it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
• it is held primarily for the purpose of being traded;
• it is expected to be realised within 12 months after the reporting period; or
• it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current assets include the current portion of non-current financial assets. All other assets (including deferred tax assets) are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

• it is expected to be settled in the Company's normal operating cycle;
• it is held primarily for the purpose of being traded;
• it is due to be settled within 12 months after the reporting period; or
• the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities (including deferred tax liabilities) are classified as non-current.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non-current.

d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, discounts and taxes.

When two or more revenue generating activities or deliverables are provided under a single arrangement, each deliverable that is considered to be a separate deliverable is accounted separately. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling prices in accordance with the principles given in Ind AS 115. Where the standalone selling prices are not directly observable, these are estimated based on expected cost plus margin or residual method to allocate the total transaction price. In cases of residual method, the standalone selling price is estimated by reference to the total transaction price less the sum of the observable standalone selling prices of other goods or services promised in the contract.

Services are provided under time and material contracts and fixed price contracts. Revenue from providing services is recognised over a period of time in the accounting period in which services are rendered. The revenue from time and material contracts is recognised at the amount to which the Company has right to invoice.

In respect of fixed price contracts, revenue is recognised based on the technical evaluation of utilization of services as per the proportionate completion method when no significant uncertainty exists regarding the amount of consideration that will be determined from rendering the service. The customer pays the fixed amount based on a payment schedule. If the services rendered by the Company exceed the payment, a contract asset is recognised. If the payment exceed the services rendered, a contract liability is recognised. Revenue from training is recognised over the period of delivery. The foreseeable losses on completion of contract, if any, are provided for. (i) Revenue in respect of sale of courseware is recognised when the significant risks and rewards of ownership in it are transferred to the buyer as per the terms of the contracts.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increase or decrease in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known to management.(ii) Revenue from the training services is recognised over the period of the course programs as the case may be. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided (percentage of completion method). Revenue from time and material contracts is recognised as the related services are performed.

Revenue in respect of sale of courseware and other physical deliverables is recognised at a point in time when these are delivered, the legal title is passed and the customer has accepted the courseware and other physical deliverables.

In other cases, where courseware is not considered a separate component under a contract, revenue from the composite course is recognised over the period of the training or the contract period, depending upon the terms and conditions.

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e) Other Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and applicable rate of interest. Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

f) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CEO & CFO of the Company are considered as chief operating decision makers who assesse the financial performance and position of the Company, and make strategic decisions.

g) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

The current income tax expense includes income taxes payable by the Company. The current tax payable by the Company in India is Indian income tax payable on worldwide income after taking credit for tax relief available.
Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision.

Deferred income taxes

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. MAT credit entitlement has been presented as deferred tax asset in Balance Sheet. Significant management judgement is required to determine the probability of recognition of MAT credit entitlement and deferred tax.

h) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(a) Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company has adopted the amendments to Ind AS 116 for the first time in the current year. The amendments provide practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:
(a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
(b) Any reduction in lease payments affects only payments originally due on or before June 30, 2022 (a rent concession meets this condition if it results in reduced lease payments on or before June 30, 2022 and increased lease payments that extend beyond June 30, 2022); and
(c) There is no substantive change to other terms and conditions of the lease.

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b) Comapny as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

i) Investments and other financial assets

i) Classification

The Company classifies its financial assets in the following measurement categories:

• those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

• those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Any subsequent change in the fair value is charged to profit and loss.

iii) Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVOCI, trade receivables and contract assets, financial guarantee contracts, and certain other financial assets measured at amortised cost such as deferred consideration receivable on disposal of subsidiaries. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company recognises lifetime expected credit losses (ECL) for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

j) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdraft are shown as borrowings in current financial liabilities in the balance sheet.

k) Trade receivables

Trade receivables are recognised initially at fair value and subsequently adjusted for expected credit loss using the effective interest method.

l) Inventories: Traded goods

Traded goods are stated at the lower of cost or net realisable value. Cost of traded goods comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average method. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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m) Property, plant and equipment

The Company had applied for the one-time transition exemption of considering the carrying cost on the transition date i.e. April 01, 2016 as the deemed cost under Ind AS, regarded thereafter as historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value
Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Description of Assets	Useful life
Plant and Equipment including:	
- Computers, Printers and related Accessories	3 Years
- Computer Servers and Networks	5 Years
- Electronic Equipments	8 years
- Air Conditioners	10 years
Office Equipments	5 years
Furniture & Fixtures	7 years
Leasehold Improvements	3-5 years or lease period, whichever is lower
All other assets	Life prescribed under Schedule II to the Companies Act, 2013

Depreciation is provided on pro-rata basis on the straight line method over the useful lifes of the assets. The depreciation charge for each period is recognised in the statement of profit and loss . The residual values is considered as nil.
The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.
An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/ (expenses).

n) Intangible assets
Computer software, Educational content/products - Acquired
These Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Education content / products - Internally generated
Expenditure on research activities is recognised as an expense in the period in which it is incurred. Development costs that are directly attributable to the design, develpoment and testing of identifiable and unique educational content / products controlled by the Company are recognised as intangible assets when the following criteria are met:
• it is technically feasible to complete the development so that it will be available for use;
• management intends to complete the content / product and use;
• there is an ability to use or sell the content / product;
• it can be demonstrated how the content / product will generate probable future economic benefits;
• adequate technical, financial and other resources to complete the development and to use or sell the content / product are available, and
• the expenditure attributable to the content / product during its development can be reliably measured.
Directly attributable costs that are capitalised as part of the intangibles include employee costs and an appropriate portion of relevant overheads.
Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Amortisation methods and periods
Intangible assets are amortised on a straight line basis over their estimated useful lives which are as follows:

Particulars	Useful lifes
Internally generated (Content and products)	
- School based non-IT content	10 years
- Others	3-5 years
Acquired (Software, content and products)	3-5 years

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o) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Companys of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

p) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

q) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

r) Provisions

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

s) Employee benefits

i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

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iii) Post-employment obligations

The Company operates the following post-employment schemes:

- Defined benefit plans such as Gratuity and Compensated absence.
- Defined contribution plans such as Provident fund, Superannuation fund, Pension fund and National Pension system.

Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation are recognised immediately in profit or loss as past service cost.

Compensated absences

Liability in respect of compensated absences is provided for both encashable leave and those expected to be availed. The Company has defined benefit plans for compensated absences for employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using projected unit credit method. Any gain or loss arising out of such valuation is recognised in the Statement of profit and loss as income or expense as the case may be.

Accumulated compensated absences, which are expected to be availed within twelve months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected undiscounted cost of accumulated compensated absences expected to be availed based on the unutilized entitlement at the year end.

Provident fund

The Company makes contribution to the "NIIT LIMITED EMPLOYEES' PROVIDENT FUND TRUST" for certain entities in India, which is a defined benefit plan to the extent that the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company's obligation in this regard is actuarially determined using projected unit credit method and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

The Company's contribution towards Provident Fund is charged to Statement of Profit and Loss.

Superannuation

The Company makes defined contribution, to the Trust established for the purpose by the company towards superannuation fund maintained with Life Insurance Corporation of India. The Company has no further obligations beyond its monthly contributions. Contribution made during the year is charged to Statement of Profit and Loss.

Pension Fund

The Company makes defined contribution to a government administered pension fund towards it's pension plan on behalf of its employees. The Company has no further obligations beyond its monthly contributions. The contribution towards Employee Pension Scheme is charged to Statement of Profit and Loss.

National Pension System

The Company makes defined contribution towards National Pension System for certain employees for which Company has no further obligation. Contributions made during the year are charged to Statement of Profit and Loss.

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t) Share based payments

Employee stock option plan (ESOP)

The fair value of options granted under the 'NIIT Employee Stock Option Plan 2005' is recognized as an employee benefits expense with a corresponding no increase in equity during the year/ previous year. The total amount to be expensed is determined by reference to the fair value of the options granted:
- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

u) Share capital

Equity share capital

Issuance of ordinary shares are recognised as equity share capital in equity. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

v) Earnings per share

i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.

ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
• the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
• the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

w) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, In the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to/ by the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net asset value.

Level 2: The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The Company measures financial instruments, such as, investments (other than investment in subsidiaries), at fair value at each reporting date.

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x) **Exceptional items**

Exceptional items refer to items of income or expense within the income statement that are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance for the period.

Materiality threshold can be used to select items to be disclosed as exceptional on case to case basis. This threshold would be applied separately for standalone as well as consolidated financial statements. However, in case an item qualifies for disclosure in standalone financial statements but not in consolidated financial statements or vice versa, this would need to be evaluated on case to case basis.

Basis the above analysis, mainly following items would be evaluated for disclosure as exceptional items:

a) **Business Combination:** Impact of one-time accounting policy alignment / unusual write off / impairment of assets arising as a result of business combination, including transaction cost.

b) **Fair valuation gains on business combination.**

c) **Reassessment / Change in life of asset** (in case of re-evaluation of business/product, impact of all assets specific to that business/product to be considered for applying the threshold).

d) **Disputed regulatory / tax levies including tax rate change having retrospective impact** (other than impact on account of restatement of deferred tax asset / liability for tax rate change) – only impact for the past periods to be disclosed as exceptional.

e) Provision for other than temporary diminution in the value of non-current investment.

f) **Shareholders' dispute settlement arising out of merger / acquisition transactions.**

g) Write-downs of inventories to net realisable value or of property, plant and equipment to recoverable amount, as well as reversals of such write-downs.

In case of **other significant item** of income or expense, not covered above, the same would be **evaluated on a case to case** basis for disclosure under exceptional items.

y) **Critical accounting estimates and judgements**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation/uncertainty and judgements in applying accounting policies that have the most significant effect on the financial statements are as follows:

Measurement of defined benefit obligations: key actuarial assumptions - refer note 2 (s).

Measurement of useful life and residual values of property, plant and equipment - refer note 2 (m) & 2 (n).

Fair value measurement of financial instruments - refer note 2 (v)

Judgement required to determine probability of recognition of deferred tax assets and MAT credit entitlement - refer note 2 (g).

There are no major assumptions and estimation that have a significant risk of resulting in a material adjustment within the next financial year.

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NIIT LEARNING SYSTEMS LIMITED
(Formerly Known as Mindchampion Learning Systems Limited)
CIN: U72200HR2001PLC099478
Notes to the Financial Statements for the year ended March 31, 2022

(All amounts in Rs. thousands, unless stated otherwise)

3 Property, Plant and Equipment

Particulars	Plant & Equipments	Leasehold Improvements*	Furniture & Fixtures	Office Equipments	Total tangible assets
Year end March 31, 2021					
Gross carrying amount					
Gross carrying amount as on April 01, 2020	16,248.58	520.49	778.18	13.20	**17,560.45**
Additions	5.07	-	-	-	**5.07**
Disposals/Sale	10,423.68	272.41	520.86	13.20	**11,230.15**
Closing Gross Carrying Amount (A)	**5,829.97**	**248.08**	**257.32**	-	**6,335.37**
Accumulated Depreciation					
Accumulated depreciation as on April 01, 2020	14,972.44	370.96	736.79	13.18	**16,093.37**
Transfer	-	82.70	(82.70)	-	**-**
Depreciation charged during the year	826.42	66.82	30.25	-	**923.49**
Disposals/Sale	10,225.62	272.40	492.12	13.18	**11,003.32**
Closing accumulated depreciation (B)	**5,573.24**	**248.08**	**192.22**	-	**6,013.54**
Net Carrying Amount (A-B)	**256.73**	**0.00**	**65.10**	-	**321.83**
* Assets with Book Value of Rs. 1/-					
Year end March 31, 2022					
Grossing Carrying amount					
Gross carrying amount as on April 01, 2021	5,829.97	248.08	257.32	-	**6,335.37**
Additions	9.38	-	-	-	**9.38**
Disposals/Sale	705.65	-	257.32	-	**962.97**
Closing Gross Carrying Amount (C)	**5,133.70**	**248.08**	-	-	**5,381.78**
Accumulated Depreciation					
Accumulated depreciation as on April 01, 2021	5,573.24	248.08	192.22	-	**6,013.54**
Depreciation charged during the year	211.61	-	17.26	-	**228.87**
Disposals/Sale	705.52	0.00	209.48	-	**915.00**
Closing accumulated depreciation (D)	**5,079.33**	**248.08**	-	-	**5,327.41**
Net Carrying Amount (C-D)	**54.37**	-	-	-	**54.37**

4 Intangible assets and intangible assets under development

Particulars	Internally Generated (footnote i)	Software acquired	Total Intangibles assets other than assets under Development	Intangible Assets under Development (footnote i)	Total intangible assets
Year end March 31, 2021					
Gross carrying amount					
Gross carrying amount as on April 01, 2020	148,615.86	3,350.84	**151,966.70**	9,334.81	**161,301.51**
Additions	10,016.33	-	**10,016.33**	681.52	**10,697.85**
Transfer	-	-	**-**	(10,016.33)	**(10,016.33)**
Disposals	-	592.26	**592.26**	-	**592.26**
Closing gross carrying amount (A)	**158,632.19**	**2,758.58**	**161,390.77**	-	**161,390.77**
Accumulated Amortisation and Impairment					
Accumulated amortization as on April 01, 2020	128,596.51	3,350.56	**131,947.07**	-	**131,947.07**
Amortisation charge for the year	6,673.31	-	**6,673.31**	-	**6,673.31**
Disposals	-	591.99	**591.99**	-	**591.99**
Amortisation charged in exceptional items (Refer note 22)	23,362.34	-	**23,362.34**	-	**23,362.34**
Closing accumulated amortisation (B)	**158,632.16**	**2,758.57**	**161,390.73**	-	**162,574.71**
Net carrying amount (A-B)	**0.03**	**0.01**	**0.04**	-	**0.04**
Year end March 31, 2022					
Gross carrying amount					
Gross carrying amount as on April 01, 2021	158,632.19	2,758.58	**161,390.77**	-	**161,391.77**
Additions	-	-	**-**	-	**-**
Transfer	-	-	**-**	-	**-**
Disposals	-	-	**-**	-	**-**
Closing gross carrying amount (C)	**158,632.19**	**2,758.58**	**161,390.77**	-	**161,390.77**
Accumulated Amortisation and Impairment					
Accumulated amortization as on April 01, 2021	158,632.16	2,758.57	**161,390.73**	-	**161,390.73**
Amortisation charge for the year	0.03	0.01	**0.04**	-	**0.04**
Disposals	-	-	**-**	-	**-**
Closing accumulated amortisation (D)	**158,632.19**	**2,758.58**	**161,390.77**	-	**161,390.77**
Net carrying amount (C-D)	-	-	-	-	-

Footnote:

(i) Refer note 6 for cost incurred during the year on internally generated intangible assets.

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(All amounts in Rs. thousands, unless stated otherwise)

5 Leases

(i) The following are the amounts recognised in the statement of profit and loss for short term leases:

The Company has entered into leases for office premises, employee accommodations, equipments which are cancelable at the option of the Company by giving the requisite notice. Aggregate payments during the year under short term leases are as shown hereunder:

Particulars	Year ended	
	March 31, 2022	March 31, 2021
In respect of premises*	1,438.81	6,255.65
In respect of equipments**	38.23	86.89
Total	**1,477.04**	**6,342.54**

* includes payment in respesct of premises for office and employee accommodation.
** includes payment in respect of computers, printers and other equipments.

(ii) The following are the carrying amount of right-of-use assets recognised and movement:-

Particulars	Vehicle	Total
As at April 1, 2020	**515.20**	**515.20**
Additions	443.83	443.83
Deletion	(272.69)	(272.69)
Depreciation	(508.81)	(508.81)
As at March 31, 2021	**177.53**	**177.53**
Additions/Modification	343.17	343.17
Depreciation	(203.93)	(203.93)
As at March 31, 2022	**316.77**	**316.77**

The following are the carrying amount of Lease liabilities and movement:-

Particulars	Vehicle	Total
As at April 1, 2020	**536.29**	**536.29**
Additions	443.83	443.83
Deletion	(291.30)	(291.30)
Accretion of interest (Refer note 19)	41.12	41.12
Payments	(546.25)	(546.25)
As at March 31, 2021	**183.69**	**183.69**
Additions	343.17	343.17
Accretion of interest (Refer note 19)	7.63	7.63
Payments	(216.52)	(216.52)
As at March 31, 2022	**317.97**	**317.97**

The following is the break-up of current and non-current lease liabilities

Particulars	March 31, 2022	March 31, 2021
Current Lease liabilities	317.97	183.69
Non-Current Lease liabilities	-	-
Total	**317.97**	**183.69**

The following are the amounts recognised in the statement of profit and loss:

Particulars	March 31, 2022	March 31, 2021
Depreciation expense of right of use assets	203.93	508.81
Interest expense on Lease liabilities (Refer note 19)	7.63	41.12
Gain on termination of Leases (Net) (Refer note 17)	-	(18.61)
Total	**211.56**	**531.32**

The table below provides details regarding the contractual maturities of lease liabilities

Particulars	March 31, 2022	March 31, 2021
Less than one year	317.97	183.69
One to Two years	-	-
More than Two years	-	-
Total	**317.97**	**183.69**

6 Intangible assets under development

The Company internally develops software tools, platforms and content/courseware. The management estimates that this would result in enhanced productivity and offer more technology based learning products/ solutions to the customers in future. The Company is confident of its ability to generate future economic benefits out of the abovementioned assets. The costs incurred towards the intangible assets under development are as follows:

Description	Year ended	
	March 31, 2022	March 31, 2021
Opening Intangible assets under development	-	9,334.81
Add:-Expenditure during the year		
Salary and other Employee Benefits	-	681.34
Other expenses	-	0.18
Less:-Intangible assets capitalised during the year	-	(10,016.33)
Closing Balance at the end of the year	-	-

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(All amounts in Rs. thousands, unless stated otherwise)

7 **Financial Assets**

7(i) **Current Investment carried at Fair Value through profit or loss**

	As at March 31, 2022	As at March 31, 2021
Investment [Quoted]		
Mutual Funds	68,820.08	46,929.05
Total	**68,820.08**	**46,929.05**
Aggregate value of Quoted Investments	**68,820.08**	**46,929.05**
Market value of Quoted Investments	**68,820.08**	**46,929.05**

7(ii) **Trade Receivables**

	Non-Current March 31, 2022	Non-Current March 31, 2021	Current March 31, 2022	Current March 31, 2021
Unsecured, considered good*				
Trade Receivables	-	68.75	35,025.01	59,214.11
Trade Receivables which have significant increase in credit Risk	-	-	193,381.85	201,196.55
Less: Allowance for expected credit loss (Refer note 25)	-	-	(193,381.85)	(201,196.55)
Total	-	68.75	35,025.01	59,214.11

Trade receivables are non-interest bearing and are generally on terms of 60 to 90 days.

* Trade Receivables includes receivables from Related Parties amounting to Rs. 9,464.38 thousands (Previous year Rs. 10,859.44 thousands)-(Refer note 28).

Trade receivables Ageing Schedule
As at March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - Considered Good	8,280.00	8,720.00	640.00	1,700.00	490.00	15,195.01	35,025.01
Undisputed Trade Receivables – credit impaired	10.00	850.00	280.00	11,560.00	26,230.00	154,451.85	193,381.85
Total	**8,290.00**	**9,570.00**	**920.00**	**13,260.00**	**26,720.00**	**169,646.86**	**228,406.86**
Less: Allowance for expected credit loss	-	-	-	-	-	-	(193,381.85)
Total	**8,290.00**	**9,570.00**	**920.00**	**13,260.00**	**26,720.00**	**169,646.86**	**35,025.01**

As at March 31, 2021

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - Considered Good	8,568.75	18,020.00	7,590.00	11,400.00	1,420.00	12,284.11	59,282.86
Undisputed Trade Receivables – credit impaired	90.00	4,320.00	7,990.00	28,140.00	21,370.00	139,286.55	201,196.55
Total	**8,658.75**	**22,340.00**	**15,580.00**	**39,540.00**	**22,790.00**	**151,570.66**	**260,479.41**
Less: Allowance for expected credit loss	-	-	-	-	-	-	(201,196.55)
Total	**8,658.75**	**22,340.00**	**15,580.00**	**39,540.00**	**22,790.00**	**151,570.66**	**59,282.86**

7(iii) **Other Financial Assets**

		Non-Current March 31, 2022	Non-Current March 31, 2021	Current March 31, 2022	Current March 31, 2021
a) Security Deposits					
Unsecured, considered good		-	-	145.00	145.00
Unsecured, considered doubtful		-	-	803.38	803.38
Less: Allowance for doubtful deposits		-	-	(803.38)	(803.38)
	(A)	-	-	145.00	145.00
b) Contract Assets					
Unbilled Revenue (Refer note 31)		-	-	1,144.70	1,082.20
	(B)	-	-	1,144.70	1,082.20
c) Interest Accrued on bank deposits		311.65	-	-	105.04
	(C)	311.65	-	-	105.04
d) Bank deposits					
With remaining maturity of more than 12 months*		20,010.15	-	-	-
With remaining maturity of less than 12 months**		-	-	-	230.04
	(D)	20,010.15	-	-	230.04
	Total (A+B+C+D)	20,321.80	-	1,289.70	1,562.28

*Deposit of Rs. 20,010.15 thousands (Previous year Rs. Nil) pledged as margin money with bank for issuance of bank guarantees.

**Deposit of Rs. Nil (Previous year Rs. 230.04 thousands) pledged as margin money with bank for issuance of bank guarantees.

Unbilled revenue Ageing Schedule
As at March 31, 2022

Particulars	Not due	Outstanding for following periods from transactions date: Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Unbilled revenue - Considered Good	-	281.24	863.46	-	-	-	1,144.70
Total	-	**281.24**	**863.46**	-	-	-	**1,144.70**

As at March 31, 2021

Particulars	Not due	Outstanding for following periods from transactions date: Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Unbilled revenue - Considered Good	-	249.85	832.35	-	-	-	1,082.20
Total	-	**249.85**	**832.35**	-	-	-	**1,082.20**

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(All amounts in Rs. thousands, unless stated otherwise)

7(iv) Cash and Cash Equivalents	**As at March 31, 2022**	**As at March 31, 2021**
Balance with banks		
-Current accounts	1,322.48	2,588.56
-Deposits with original maturity of less than 3 months*	-	13,000.00
Cheques and drafts on hand	-	862.70
Total	**1,322.48**	**16,451.26**

*Short term Deposits are made with banks for varying periods of up to three months depending on the immediate cash requirements of the Company and to earn interest at the respective short term deposit rates.

7(v) Bank balances other than above	**As at March 31, 2022**	**As at March 31, 2021**
Bank deposits		
-With original maturity of more than 3 months and upto 12 months	-	7,000.00
Total	-	**7,000.00**

8 Income tax assets	**As at March 31, 2022**	**As at March 31, 2021**
Advance Income Tax	27,209.50	27,036.02
Less : Provision for Income Tax	(6,137.46)	(6,137.46)
	21,072.04	**20,898.56**

9 Inventories (Valued at lower of cost or net realisable value)	**As at March 31, 2022**	**As at March 31, 2021**
As at the end of the year		
Traded Goods		
a) Education and Training Material	3,272.98	12,230.17
b) Software	2,145.37	4,964.96
	5,418.35	**17,195.13**
As at the beginning of the year		
Traded Goods		
a) Education and Training Material	12,230.17	36,117.62
b) Software	4,964.96	5,139.44
	17,195.13	**41,257.06**
Provision for Inventory#	-	(14,951.88)
Decrease in Inventory*	**11,776.78**	**9,110.05**

* Net of provision for non-moving inventories of Rs. 22,066.52 thousands (Previous year Rs. 20,074.47 thousands).
# During the year, the Company has recognised inventory provision amounting to Rs. Nil (Previous year Rs. 14,951.88 thousands) as a exceptional item (Refer note 22).

10 Other Assets		**As at March 31, 2022 Current**	**As at March 31, 2021**
i) Advances to Suppliers in cash or in kind			
Unsecured, considered good		3,637.23	5,441.17
	(A)	**3,637.23**	**5,441.17**
ii) Prepaid Expenses		1,219.71	1,442.52
	(B)	**1,219.71**	**1,442.52**
iii) Other Advances recoverable in cash or in kind			
Unsecured, considered good		2,553.76	3,347.97
Unsecured, considered doubtful		48.68	58.89
Less: Allowance for doubtful advances		(48.68)	(58.89)
	(C)	**2,553.76**	**3,347.97**
	Total other assets (A+B+C)	**7,410.70**	**10,231.66**

(All amounts in Rs. thousands, unless stated otherwise)

11 Share capital

a) Authorised share capital

Particulars	Equity shares of Rs. 10 each		Redeemable preference shares of Rs. 10 each	
	Number of shares	Amount	Number of shares	Amount
As at April 01, 2020	**70,000,000**	**700,000.00**	**10,000,000**	**100,000**
Increase during the year	40,000,000	400,000.00	-	-
Conversion during the year	10,000,000	100,000.00	(10,000,000)	(100,000)
As at March 31, 2021	**120,000,000**	**1,200,000.00**	-	-
Increase during the year	-	-	-	-
As at March 31, 2022	**120,000,000**	**1,200,000.00**	-	-

Note:

i) During the Previous year, the Authorised Equity Share Capital of the Company has been increased from Rs. 700,000.00 thousands (divided into 70,000,000 equity shares of Rs. 10 each) to Rs. 1,200,000.00 thousands (divided into 120,000,000 equity shares of Rs. 10 each) by converting existing 10,000,000 Preference Shares of Rs. 10 each into 10,000,000 Equity Shares of Rs. 10 each and by adding creation/addition of new Equity Shares of Rs. 10 each.

b) Movement in equity share capital

Particulars	Equity shares	
	Number of shares	Amount
As at April 01, 2020	**69,064,072**	**690,640.72**
Issued during the year	46,500,000	465,000.00
As at March 31, 2021	**115,564,072**	**1,155,640.72**
Issued during the year	-	-
As at March 31, 2022	**115,564,072**	**1,155,640.72**

c) Detail of class of Equity Shares held by the Holding Company

Particulars	As at March 31, 2022		March 31, 2021	
	No. of shares	Amount in Rs.	No. of shares	Amount in Rs.
NIIT Limited	115,564,072	1,155,640.72	115,564,072	1,155,640.72

d) Details of Shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2022		March 31, 2021	
	No. of shares	% of Holding	No. of shares	% of Holding
NIIT Limited	115,564,072	100%	115,564,072	100%
Total	**115,564,072**	**100%**	**115,564,072**	**100%**

Out of the above, 6 Equity Shares are registered in the names of individuals, the beneficial interest of which lies with the Holding Company.

e) Terms/ rights attached to equity shares

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

f) Other details of equity shares for a period of five years immediately preceding March 31, 2022

i) 50,000,000 equity shares of Rs. 10 each were allotted on August 4, 2017 to NIIT Limited by conversion of earlier issued Optionally Convertible Debentures.

g) Details of shares held by promoters

As at March 31, 2022

Particulars	Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs. 10 each fully paid	NIIT Limited	115,564,072	-	115,564,072	100%	0%
Total		**115,564,072**	-	**115,564,072**	**100%**	**0%**

As at March 31, 2021

Particulars	Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs. 10 each fully paid	NIIT Limited	69,064,072	46,500,000	115,564,072	100%	67%
Total		**69,064,072**	**46,500,000**	**115,564,072**	**100%**	**67%**

Learning Systems Limited Gurugram

S.R. Batliboi & Associates LLP Gurugram

NIIT LEARNING SYSTEMS LIMITED
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(All amounts in Rs. thousands, unless stated otherwise)

	As at March 31, 2022	As at March 31, 2021
12 Other Equity		
Reserves and Surplus [Refer note 12(i)]		
Securities Premium	20,000.00	20,000.00
Retained Earnings	(1,295,056.86)	(1,290,654.27)
Other Reserves [Refer note 12(ii)]	142,717.18	142,717.18
Total reserves and surplus	**(1,132,339.68)**	**(1,127,937.09)**

	As at March 31, 2022	As at March 31, 2021
12(i) Reserves and Surplus		
a) Securities Premium [Refer footnote (i)]		
Balance at the beginning of the year	20,000.00	20,000.00
Balance at the end of the year (A)	**20,000.00**	**20,000.00**
b) Retained Earnings		
Balance at the beginning of the year	(1,290,654.27)	(1,135,163.45)
Loss for the year	(4,821.59)	(161,244.82)
Other comprehensive income	419.00	5,754.00
Balance at the end of the year (B)	**(1,295,056.86)**	**(1,290,654.27)**
Total Reserves and Surplus (C) = (A+B)	**(1,275,056.86)**	**(1,270,654.27)**

12(ii) Other Reserves	As at March 31, 2022	As at March 31, 2021
a) Other equity [Refer footnote (ii)]		
Balance at the beginning of the year	142,717.18	146,317.18
Expenses for issue of equity share capital	-	(3,600.00)
Balance at the end of the year (D)	**142,717.18**	**142,717.18**
Total Other Equity (C+D)	**(1,132,339.68)**	**(1,127,937.09)**

Footnote :

(i) The amount represents the additional amount shareholders paid for their issued shares that was in excess of the par value of those shares. The same can be utilised for the items specified under section 52 of Companies Act, 2013.

(ii) It represents the equity instrument of compound financial instrument (OCDs) (net of expenses for issue of share capital).

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(All amounts in Rs. thousands, unless stated otherwise)

13 Financial Liabilities

13(i) Trade Payables	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of Creditors other than Micro enterprises & small enterprises	98,356.35	104,318.67
Total outstanding dues of micro enterprises and small enterprises	87.64	-
Trade payables to related parties (Refer note 28)	6,839.55	4,263.96
Total trade payables	**105,283.54**	**108,582.63**

Trade payables are non-interest bearing and are normally settled on 45 days term.

Parties covered under Micro, Small and Medium-Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2022 have been identified on the basis of information available with the Company. Disclosures as per Section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as follows:

Particulars	March 31, 2022	March 31, 2021
a) the principal amount and the interest due thereon remaining unpaid to any supplier		
i) Principal amount	87.64	-
ii) Interest thereon	-	-
b) the amount of payment made to the supplier beyond the appointed day and the interest thereon, during an accounting year		
i) Principal amount	12.39	520.71
ii) Interest thereon	0.02	3.00
c) the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e) amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor	-	-

Trade payables Ageing Schedule

As at March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed outstanding dues of micro enterprises and small enterprises	87.64	-	-	-	-	87.64
Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	11,512.42	636.16	289.46	15.59	14,822.06	27,275.69
Total	**11,600.06**	**636.16**	**289.46**	**15.59**	**14,822.06**	**27,363.33**
Add: Unbilled dues						77,920.21
Total trade payables						**105,283.54**

As at March 31, 2021

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	7,350.96	5,761.23	1,082.89	-	14,822.06	29,017.15
Total	**7,350.96**	**5,761.23**	**1,082.89**	-	**14,822.06**	**29,017.15**
Add: Unbilled dues						79,565.48
Total trade payables						**108,582.63**

13(ii) Other Financial Liabilities	As at March 31, 2022	As at March 31, 2021
	Current	
Other Payables *	8,696.75	11,624.31
Total other financial liabilities	**8,696.75**	**11,624.31**

* Includes Payable to Employees amounting to Rs. 8,399.83 thousands (Previous year Rs. 11,043.52 thousands) out of which Payables to Key Managerial Person amounting to Rs. 37.00 thousands (Previous year Rs. 153.21 thousands).

14 Provisions	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits :		
Provision for Gratuity (Refer note 26)	3,772.51	6,948.71
Provision for Compensated Absences	2,795.00	3,187.00
Total Provision	**6,567.51**	**10,135.71**

15 Other Liabilities	March 31, 2022 (Non-current)	March 31, 2021 (Non-current)	March 31, 2022 (Current)	March 31, 2021 (Current)
Contract Liabilities (Refer note 31)				
-Deferred Revenue	-	5.21	1,769.40	3,744.18
-Advances from Customers	-	-	5,888.55	9,546.41
Statutory Dues*	-	-	9,226.54	8,524.43
Total other liabilities	**-**	**5.21**	**16,884.49**	**21,815.02**

* Statutory Dues mainly includes withholding tax, Goods and service tax and Contribution to Provident fund etc.

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(All amounts in Rs. thousands, unless stated otherwise)

	Year ended	
16 Revenue From Operations (Refer note 31)	**March 31, 2022**	**March 31, 2021**
Sale of Products :		
-Courseware and Training Material	26,628.79	42,678.07
-Hardware & Accessories	1,592.87	6,802.63
Sale of Services	62,900.19	80,764.67
	91,121.85	**130,245.37**

	Year ended	
17 Other Income	**March 31, 2022**	**March 31, 2021**
Interest Income on Bank Deposits carried at amortized cost	993.12	181.16
Interest income on income tax refund received	1,111.95	5,410.47
Net gain on Investment carried at fair value through profit or loss	1,894.34	431.83
Gain on sale / disposal of Property, Plant and Equipment and Intangible assets (Net)	738.37	664.20
Gain on foreign currency translation and transaction (net)	142.35	-
Gain on termination of Leases (Net) (Refer note5(ii))	-	18.61
Provision for Doubtful debts written back (Refer note 25)	7,814.70	-
Provision / Other Liabilities written back	2,424.10	5,710.89
Other Non-Operating Income	820.81	3,147.45
	15,939.74	**15,564.61**

	Year ended	
18 Employee Benefits Expenses#	**March 31, 2022**	**March 31, 2021**
Salary,Wages and Bonus	58,574.54	134,500.65
Contribution to Provident and other Funds (Refer note 26)**	3,553.98	9,102.94
Share Based Payments (Refer note 28)*	3,199.93	273.72
Staff Welfare expense	619.75	1,589.89
	65,948.20	**145,467.20**

Net of Rs. Nil (Previous year Rs. 681.34 thousands) capitalized in intangible assets (Refer note 6).

*Share Based Payments Expenses are payable to the Holding Company.

** There are numerous interpretative issues relating to the Supreme Court (SC) judgement on Provident fund dated February 28, 2019. As a matter of caution, the Company has implemented the provisions on a prospective basis from the date of the SC order. The Company will assess its position, on receiving further clarity on the subject.

	Year ended	
19 Finance Costs	**March 31, 2022**	**March 31, 2021**
Interest Expense*	45.76	17,721.84
Interest on lease liabilities [Refer note 5(ii)]	7.63	41.12
Other Borrowing Costs (Refer note 28)	-	150.68
	53.39	**17,913.64**

* Includes interest paid to Holding company (Refer note 28).

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		Year ended		
20 Other Expenses*		**March 31, 2022**		**March 31, 2021**
Equipment Hiring [Refer note 5(i)]		38.23		86.89
Freight and Cartage		2,909.39		3,631.50
Rent [Refer note 5(i)]		1,438.81		6,255.65
Rates and Taxes		-		65.11
Power & Fuel		124.98		698.15
Communication		514.02		1,678.10
Legal and Professional (Refer note 21)		4,206.20		10,228.41
Management Cost Recovery by Holding Company		2,843.31		4,670.45
Travelling and Conveyance		386.99		1,492.97
Allowance for Doubtful Debts (Refer note 25)		-		24,121.90
Allowance for Doubtful Advances and Deposits		49.59		27.20
Advances written off	29.79		278.03	
Less:- Provision for advances written back	(29.79)	-	(278.03)	-
Insurance		1.96		5.03
Repairs and Maintenance				
- Plant and Machinery		394.03		855.34
- Buildings		10.11		47.17
- Others		179.66		1,077.15
Consumables		201.27		199.36
Loss on Foreign Currency Translation and Transaction (net)		-		193.56
Security and Administration Services		134.29		894.32
Bank Charges		243.46		64.98
Marketing & Advertising Expenses		302.94		175.99
Sundry Expenses		171.06		392.03
		14,150.30		**56,861.26**

* Net of Rs. Nil (Previous year Rs. 0.18 thousands) capitalized in intangible assets (Refer note 6).

	Year ended	
21 Payment To Auditors (included in legal and professional fees and exceptional)	**March 31, 2022**	**March 31, 2021**
As Auditor		
- Audit Fee	523.80	523.80
- Certification Fee (Includes GST)	295.00	-
- Reimbursement of expenses	40.33	40.33
	859.13	**564.13**

	Year ended	
22 Exceptional Items	**March 31, 2022**	**March 31, 2021**
Provision for Impairment on Intangible assets [Refer note-(i) below]	-	(23,362.34)
Provision for Doubtful debts [Refer note-(i) below]	-	(3,450.72)
Provision for Inventory [Refer note-(i) below]	-	(14,951.88)
Legal and professional cost towards scheme of arrangement [Refer note-(ii) below]	(295.00)	-
Total	**(295.00)**	**(41,764.94)**

(i) During the previous year, the Company has assessed the possible effects that may result from COVID-19 on the carrying value of assets and created an additional provision for doubtful debts, inventories and intangible assets.

(ii) Expenses related to the Composite Scheme of Arrangement under section 230 to 232 and other applicable provisions of the Companies Act 2013 between NIIT Limited (Transferor Company)and NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited) (Transferee Company) have been recognised as an exceptional item (Refer note 33(ix)).

23 Income tax expense

	Year ended	
(a) Income tax expense	**March 31, 2022**	**March 31, 2021**
Current tax		
Write off Foreign tax credit	271.02	774.94
Total current tax expense	**271.02**	**774.94**
Income tax expense	**271.02**	**774.94**

During the year, there is loss as per Income tax act 1961, therefore no tax is payable.
Due to continuing business losses and lack of future taxable profits the Company has not recognized deferred tax asset.

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

	Year ended	
	March 31, 2022	**March 31, 2021**
Loss before Tax	(4,550.57)	(160,469.88)
Write off Foreign tax credit	271.02	774.94
Total tax expenses	**271.02**	**774.94**

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amounts in Rs. thousands, unless stated otherv

24 Fair value measurements

(i) Fair value hierarchy

To provide indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard explained below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net asset value.
Level 2: The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:
- The use of quoted market prices for similar instruments.
- The fair value of forward foreign exchange contracts is determined using Mark to Market Valuation by the respective bank at the balance sheet date.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Financial instruments by category and hierarchy of measurement

	As at			
	March 31, 2022		March 31, 2021	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investments	68,820.08	-	46,929.05	-
Trade receivables	-	35,025.01	-	59,282.86
Cash and bank balances	-	1,322.48	-	16,451.26
Bank balances other than above	-	-	-	7,000.00
Other financial assets	-	21,611.50	-	1,562.28
Total financial assets	**68,820.08**	**57,958.99**	**46,929.05**	**84,296.40**
Financial liabilities				
Lease liabilities	-	317.97	-	183.69
Trade payables	-	105,283.54	-	108,582.63
Other financial liabilities	-	8,696.75	-	11,624.31
Total financial liabilities	-	**114,298.26**	-	**120,390.63**

As of March 31, 2022 and March 31, 2021 , the fair value of cash and bank balances, trade receivables, other financial assets and liabilities, trade payables approximate their carrying amount largely due to nature of these instruments.

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(All amounts in Rs. thousands, unless stated otherwise)

25 Financial risk management

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 35,025.01 thousands and Rs. 59,282.86 thousands as of March 31, 2022 and March 31, 2021, respectively and unbilled revenue amounting to Rs. 1,144.70 thousands and Rs. 1,082.20 thousands as of March 31, 2022 and March 31, 2021, respectively. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned through government customers and other corporate customers. The Company has used the expected credit loss model to assess the impairment loss or gain on trade receivables and unbilled revenue, and has provided it wherever appropriate. The following table gives the movement in allowance for expected credit loss:

Reconciliation of loss allowance provision – Trade receivables

Particulars	Amount in Rs.
Loss allowance as on April 01, 2020	**173,623.93**
Add: Provision for Expected credit loss (Refer note 20)	24,121.90
Add: Additional provisional created through exceptional (Refer note 22)	3,450.72
Loss allowance as on March 31, 2021	**201,196.55**
Less: Reversal of provision for Expected credit loss (Refer note 17)	(7,814.70)
Loss allowance as on March 31, 2022	**193,381.85**

(B) Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has no outstanding borrowings except and working capital limits from banks. Working capital limit is secured by a first charge on the book debts of the Company and by a second charge on movable assets of the Company . However, the Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

(i) Maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2022:

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Lease liabilities	317.97	-	-	317.97
Trade payables	105,283.54	-	-	105,283.54
Other financial liabilities	8,696.75	-	-	8,696.75
Total non-derivative liabilities	**114,298.26**	**-**	**-**	**114,298.26**

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2021:

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Lease liabilities	183.69	-	-	183.69
Trade payables	108,582.63	-	-	108,582.63
Other financial liabilities	11,624.31	-	-	11,624.31
Total non-derivative liabilities	**120,390.63**	**-**	**-**	**120,390.63**

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments measured at FVTPL and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There are no significant borrowings on the financial statements. Hence, there is no significant concentration of interest rate risk.

(ii) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The Company evaluates its exchange rate exposure arising from these transactions and enters into foreign exchange forward contracts to hedge forecasted cash flows denominated in foreign currency and mitigate such exposure.

The Company's exposure to foreign currency risk at the end of the reporting year expressed in INR, are as follows

	As at March 31, 2022	As at March 31, 2021
	USD	USD
Financial assets		
Trade receivables	1,057.38	1,320.70

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on Profit and Loss		Impact on Profit and Loss	
	Gain / (Loss) on Appreciation	Gain / (Loss) on Depreciation	Gain / (Loss) on Appreciation	Gain / (Loss) on Depreciation
1% appreciation / depreciation in Indian Rupees against following foreign currencies *:				
USD	10.57	(10.57)	13.21	(13.21)
	10.57	**(10.57)**	**13.21**	**(13.21)**

* Holding all other variables constant
USD: United States Dollar

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(All amounts in Rs. thousands, unless stated otherwise)

26 Employee Benefits

A) Defined Contribution Plans

The Company makes contribution towards Superannuation Fund and Pension Scheme to the defined contribution plans for eligible employees.

The Company has charged the following costs in Contribution to Superannuation and Other Funds in the Statement of Profit and Loss:-

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Employers' Contribution to Superannuation Fund	298.38	573.25
Employers' Contribution to Employees Pension Scheme	885.03	2,954.88
Employers' Contribution to Employee National Pension System	100.54	175.51
Total	**1,283.95**	**3,703.64**

The Company has charged the following costs in Contribution to Superannuation and Other Funds in the Statement of Profit and Loss for Key Management Personnel:

	Year ended March 31, 2022	Year ended March 31, 2021
Employers' Contribution to Superannuation Fund	234.05	274.53
Employers' Contribution to Employees Pension Scheme	23.75	30.00
Employers' Contribution to Employee National Pension System	93.70	138.45
Total	**351.50**	**442.98**

B) Defined Benefit Plans

1. Provident Fund

The Company makes contributions to the "NIIT LIMITED EMPLOYEES' PROVIDENT FUND TRUST" ("the Trust"), in respect of employees deputed from the Holding Company. The plan has been classified as a Defined Benefit plan in accordance with Ind AS-19 'Employee Benefits'. During the year the Company contributed Rs. 979.36 thousands (Previous year Rs. 2,454.90 thousands) to the Trust. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate. The Company's obligation in this regard is actuarially determined and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government. Based on actuarial valuation carried out, there is no shortfall to be provided by the Company.

2. Gratuity Fund - Funded

Particulars	As at March 31, 2022	As at March 31, 2021
i) Change in Present value of Obligation:-		
Present value of obligation as at beginning of the year	7,586.41	12,371.00
Interest cost	444.66	747.41
Current service cost	983.00	2,262.00
Acquisition (credit) / cost	(223.00)	(313.00)
Benefits paid from plan assets	(927.00)	(1,724.00)
Actuarial gain - experience	(1,906.00)	(6,438.00)
Actuarial loss - financial assumptions	1,457.00	681.00
Present value of obligation as at the year end	**7,415.07**	**7,586.41**

	As at March 31, 2022	As at March 31, 2021
ii) Change in value of Plan Assets		
Fair value of Plan Assets as at the beginning of the year	637.70	1,112.70
Acquisition adjustment	(223.00)	(313.00)
Expected return on Plan Assets	137.00	65.00
Contributions	4,047.86	1,500.00
Benefits Paid	(927.00)	(1,724.00)
Return on plan assets greater than discount rate	(30.00)	(3.00)
Fair value of Plan Assets as at the end of the year	**3,642.56**	**637.70**

iii) Amount of Asset/ (Liability) recognised in the Balance Sheet:-	**Fair value of Plan Assets as at the end of the year**	**Present value of obligation as at the end of the year**	**Liability recognised in Balance Sheet**
As at March 31, 2022	3,642.56	7,415.07	(3,772.51)
As at March 31, 2021	637.70	7,586.41	(6,948.71)

iv) Gratuity Cost recognised in the Statement of Profit and Loss:-

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current service cost	983.00	2,262.00
Interest cost	307.66	682.41
Expense recognised in the Statement of Profit and Loss	**1,290.66**	**2,944.41**

Estimated contributions for the year ended on March 31, 2023 is Rs. 3,772.51 thousands (Previous year Rs. 6,948.71 thousands).

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(All amounts in Rs. thousands, unless stated otherwise)

v) Remeasurement (gain)/loss recognised through Other Comprehensive Income:-

	Year ended	
Particulars	**March 31, 2022**	**March 31, 2021**
Actuarial loss - experience	(1,906.00)	(6,438.00)
Actuarial loss - financial assumptions	1,457.00	681.00
Return on plan assets (greater) / less than discount rate	30.00	3.00
Gain recognised through other comprehensive Income	**(419.00)**	**(5,754.00)**

	As at	
vi) Assumptions used in accounting for gratuity plan:-	**March 31, 2022**	**March 31, 2021**
Discount Rate (Per Annum)	6.75%	6.25%
Future Salary Increase	16% for FY 2022-23 & FY 2023-24 & 10% thereafter	12% for FY 2021-22 & FY 2022-23 & 8% thereafter
Expected Rate of return on plan assets	7.15%	7.05%

Estimates of future salary increase considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

vii) Investment details of Plan Assets:-

The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme. The details of investment maintained by Life Insurance Corporation are not available with the Company and have not been disclosed.

The expected return on plan assets is determined considering several applicable factors mainly the compensation of plan assets held, assessed risk of asset management, historical result of the return on plan assets.

viii) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on defined benefit obligation		
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
	March 31, 2022	**March 31, 2022**	**March 31, 2022**
Discount rate	0.50%	(387.00)	417.00
Salary growth rate	0.50%	399.00	(374.00)
Withdrawal rate	5.00%	(711.00)	702.00

	Impact on defined benefit obligation		
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
	March 31, 2021	**March 31, 2021**	**March 31, 2021**
Discount rate	0.50%	(380.00)	411.00
Salary growth rate	0.50%	400.00	(374.00)
Withdrawal rate	5.00%	(459.00)	472.00

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as and when calculating the defined benefit liability recognised in the balance sheet.

ix) The major categories of plan assets are as follows:

	March 31, 2022	**March 31, 2021**
Scheme of insurance - conventional products	100%	100%

Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are market volatility, changes in inflation, changes in interest rates, rising longevity, changing economic environment, regulatory changes etc. The Company ensures that the investment positions are managed within an asset and liability matching framework that has been developed to achieve investments which are in line with the obligations under the employee benefit plans. Within this framework, the Company's asset-liability matching objective is to match assets to the obligations by investing in securities to match the benefit payments as they fall due.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that failure of any single investment should not have a material impact on the overall level of assets.

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(All amounts in Rs. thousands, unless stated otherwise)

27 Loss Per Share

	Year ended	
	March 31, 2022	**March 31, 2021**
Loss attributable to Equity Shareholders (A)	(4,821.59)	(161,244.82)
Weighted average number of Equity Shares outstanding during the year (Nos.) – (B)	115,564,072	93,540,784
Nominal Value of Equity Shares (Rs.)	10	10
Basic loss per Share (Rs.) (A/B)	(0.04)	(1.72)
Diluted loss per Share (Rs.) (A/B)	(0.04)	(1.72)

*As there are no dilutive securities at the year end, the basic and diluted earnings per share are same.

28 Related Party Transactions

A. Related party relationship where control exists:

Holding Company - NIIT Limited

B. Fellow Subsidiaries

1 NIIT Institute of Finance Banking and Insurance Training Limited
2 NIIT Institute of Process Excellence Limited (Under Voluntary Liquidation w.e.f. February 19, 2020)
3 NIIT Yuva Jyoti Limited (Liquidated on February 25, 2022)
4 NIIT USA Inc, USA
5 Stackroute Learning Inc, USA (subsidiary of entity at serial no. 4)
6 NIIT Limited, UK
7 NIIT Malaysia Sdn. Bhd, Malaysia
8 NIIT West Africa Limited
9 NIIT GC Limited, Mauritius
10 NIIT (Ireland) Limited
11 NIIT Learning Solutions (Canada) Limited (subsidiary of entity at serial no. 10)
12 Eagle international Institute Inc. USA (subsidiary of entity at serial no. 4 till June 30, 2021, merged with NIIT (USA) Inc, USA w.e.f. July 01, 2021)
13 Eagle Training Spain, S.L.U (subsidiary of entity at serial no. 12 till June 30, 2021, Subsidiary of Entity at Serial no. 4 w.e.f. July 01, 2021)
14 PT NIIT Indonesia, Indonesia (under liquidation)
15 NIIT China (Shanghai) Limited, Shanghai (subsidiary of entity at serial no. 9)
16 NIIT Wuxi Service Outsourcing Training School, China (Deregistered on June 24, 2020) (subsidiary of entity at serial no. 15)
17 Wuxi NIIT Information Technology Consulting Limited, China (entity closed on October 30, 2020) (subsidiary of entity at serial no. 15)
18 Su Zhou NIIT Information Technology Consulting Limited, China (subsidiary of entity at serial no. 17, ceases to exist as step-down subsidiary of the Company w.e.f. October 30, 2020)
19 Changzhou NIIT Information Technology Consulting Limited, China (subsidiary of entity at serial no. 17, ceases to exist as step-down subsidiary of the Company subsidiary w.e.f. October 30, 2020)
20 Chengmai NIIT Information Technology Company Limited, China (Under process of closing) (subsidiary of entity at serial no. 15)
21 Chongqing An Dao Education Consulting Limited, China (subsidiary of entity at serial no. 15)
22 Chongqing NIIT Education Consulting Limited, China (Closed on January 20, 2021) (subsidiary of entity at serial no. 15)
23 NingXia NIIT Education Technology Company Limited, China (subsidiary of entity at serial no. 15)
24 Guizhou NIIT information technology consulting Co., Limited, China (subsidiary of entity at serial no. 15)
25 NIIT (Guizhou) Education Technology Co., Limited, China (subsidiary of entity at serial no. 15)
26 RPS Consulting Private Limited (w.e.f. October 01, 2021)

C. Other related parties with whom the Company has transacted

a) Key Management Personnel

1 Mr. Umesh Kumar Gola (Chief Financial Officer) (till September 30, 2021)
2 Ms. Leena Khokha (Manager)
3 Mr. Vijay K Thadani (Non Executive Director)
4 Mr. P Rajendran (Chairman & Non Executive Director)
5 Mr. Sapnesh Kumar Lalla (Non Executive Director)
6 Mr. Amit Roy (Non Executive Director) (resigned w.e.f. March 31, 2021)
7 Mr. Anand Sudarshan (Non Executive Independent Director) (tenure completed on March 13, 2021)
8 Mr. Sanjay Kumar Jain (Chief Financial Officer) (w.e.f. March 01, 2022)
9 Ms. Lata Vaidyanathan (Non Executive Independent Director-) (tenure completed on May 08, 2021)
10 Ms. Mita Brahma (Non Executive Director) (w.e.f. August 05, 2021)

b) Parties in which the Key Managerial Personnel are interested

1 NIIT Foundation

D. Key Management Personnel compensation

	Year ended	
	March 31, 2022	**March 31, 2021**
Short-term employee benefits	7,566.10	7,101.11
Post-employment benefits	1,962.74	2,680.65
Share based payments	-	1,499.81
Sitting Fees paid to Non Executive Directors	-	400.00
Total compensation	**9,528.84**	**11,681.57**

E. Terms and conditions

Transactions with related parties during the year were based on terms that would be available to third parties. All transactions were made on normal commercial terms and conditions and at market rates.
All outstanding balances are unsecured and are repayable in cash.

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NIIT LEARNING SYSTEMS LIMITED
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Notes to the Financial Statements for the year ended March 31, 2022

28 Related Party Transactions (Contd.)

F. Details of significant transactions with the Related Parties carried out in ordinary course of business:-

(All amounts in Rs. thousands, unless stated otherwise)

Nature of Transactions	Holding Company	Parties in which Key Management Personnel of the Company are interested*	Total
Sale of Goods- Revenue	-	-	-
	(140.89)	(2,085.56)	(2,226.45)
Sale of services- Revenue	30,979.23	-	30,979.23
	(28,407.49)	-	(28,407.49)
Sale of fixed assets	401.86	-	401.86
	(720.25)	-	(720.25)
Recovery of Expenses From	46.15	-	46.15
	-	-	-
Purchase of Services-Professional Technical & Outsourcing expenses and others	7,500.59	-	7,500.59
	(1,732.13)	-	(1,732.13)
Management Cost Recovery- Other Expenses	2,843.31	-	2,843.31
	(4,670.45)	-	(4,670.45)
Corporate Guarantee Charges- Other Borrowing Costs	-	-	-
	(150.68)	-	(150.68)
Recovery of Share Based Payments by	3,199.93	-	3,199.93
	(273.72)	-	(273.72)
Recovery of Expenses By	1,523.49	-	1,523.49
	(8,406.38)	-	(8,406.38)
Interest Expense- Finance Cost	-	-	-
	(17,718.22)	-	(17,718.22)
Issuance of Equity share capital	-	-	-
	(465,000.00)	-	(465,000.00)
Loan Taken	-	-	-
	(50,000.00)	-	(50,000.00)
Loan Repaid	-	-	-
	(350,000.00)	-	(350,000.00)

*During the year the Company has donated certain Intellectual Property Rights (Trademark/Copyrights/ Patent/Design etc. including software) ["IPR"] to NIIT Foundation (NF) a not-for-profit education society (NGO). These IPRs have Nil carrying value in the books of the Company. Fair value of these IPRs is Rs. 460 thousands as per report of independent valuer.

G. Details of outstanding balances with related parties:

Particulars	Holding Company	Parties in which Key Management Personnel are interested	Key Management Personnel	Total
i) Trade Payables				
March 31, 2022	6,839.55	-	-	6,839.55
March 31, 2021	(4,263.96)	-	-	(4,263.96)
ii) Trade Receivables				
March 31, 2022	9,464.38	-	-	9,464.38
March 31, 2021	(9,649.53)	(1,209.91)	-	(10,859.44)
iii) Other Payables				
March 31, 2022	-	-	37.00	37.00
March 31, 2021	-	-	(153.21)	(153.21)

Previous year figures are given in parenthesis.

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(All amounts in Rs. thousands, unless stated otherwise)

29 Contingent Liabilities and Commitments

A. Contingent Liabilities

a) Claims against the Company not acknowledged as debts:-	As at March 31, 2022	As at March 31, 2021
Customers	589.32	-
Indirect tax	19,422.73	-
Total	**20,012.05**	-

b) Guarantees

Bank Guarantees issued by Bankers outstanding at the end of the year Rs. 20,010.15 thousands (Previous year Rs. 230.04 thousands).

B. Capital and other commitments - Nil (Previous year Nil)

30 Segment Information

The Company is engaged in providing Education & Training Services in a single geography. Based on "Management Approach" , as defined in Ind AS 108 –Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources based on the analysis of performance of the Company as a whole. Its operations are, therefore, considered to constitute a single segment in the context of Ind AS 108 – Operating Segments.

The Company operates in a single geography (India) and accordingly, secondary segment reporting is not applicable.

31 Disclosure under Ind AS - 115 (Revenue from contracts with customers)

	Year ended March 31, 2022	Year ended March 31, 2021
a. Disaggregated revenue information		
Type of Services		
Sale of Courseware and Training Material	26,628.79	42,678.07
Sale of Hardware & Accessories	1,592.87	6,802.63
Sale of Services	62,900.19	80,764.67
	91,121.85	**130,245.37**
Timing of Revenue Recognition		
Goods (Courseware, Training Material, Hardware & Accessories) transferred at a point in time	28,221.66	49,480.70
Services transferred over time (Training Services)	62,900.19	80,764.67
	91,121.85	**130,245.37**
b. Trade receivables and Contract Balances		
Trade Receivables [Refer note 7(ii)]	35,025.01	59,282.86
Contract Assets [Refer note 7(iii))	1,144.70	1,082.20
Contract Liabilities [Refer note 15]	(7,657.95)	(13,295.80)
	28,511.76	**47,069.26**

Trade receivables are non-interest bearing and are generally on terms of 60 - 90 days. A sum of Rs (7,814.70 thousands) (Previous year Rs. 27,572.62 thousands) is recognised as (reversal)/provision for expected credit losses on trade receivables during the year.

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.
A receivables is right to consideration that is unconditional upon passage of time.
Revenue for ongoing services at the reporting date yet to be invoiced is recorded as unbilled revenue.

c. Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue as per contracted price	90,951.59	126,942.06
Adjustments		
(Reversal of sales return)(net)	(170.26)	(3,303.31)
	91,121.85	**130,245.37**

d. Performance obligation and remaining performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. As on March 31, 2022, there were no remaining performance obligation as the same is satisfied upon delivery of goods/services.

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Notes to the Financial Statements for the year ended March 31, 2022

(All amounts in Rs. thousands, unless stated otherwise)

32 Capital Management

The primary objective of the management of the Company's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows. To maximise the shareholder value the management also monitors the return on equity.

There is no borrowings outstanding as at March 31, 2022.

Particulars	March 31, 2022	March 31, 2021
Lease liabilities	317.97	183.69
Total Debt (A)	**317.97**	**183.69**
Equity Share Capital (Refer note 11)	1,155,640.72	1,155,640.72
Other Equity (Refer note 12)	(1,132,339.68)	(1,127,937.09)
Total Equity (B)	**23,301.04**	**27,703.63**
Profit after Tax (C)	**(4,821.59)**	**(161,244.82)**
Opening equity	27,703.63	21,794.46
Closing equity	23,301.04	27,703.63
Average Shareholder's equity (H)	**25,502.34**	**24,749.04**
Debt equity ratio (A/B)	**0.01**	**0.01**
Return on equity Ratio (%) (C/D)	**(18.91)%**	**(651.52)%**

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S.R. Batliboi & Associates LLP Gurugram

(All amounts in Rs. thousands, unless stated otherwise)

33 Additional Regulatory Information

i) There is no immovable property included in Property Plant and Equipment and Right of use assets, held by the Company.

ii) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) and intangible assets during the year ended March 31, 2022.

iii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

iv) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority, as per the available information

v) Relationship with Struck off Companies

Name of the struck off company	**Nature of transactions with struck off company**	**Balance outstanding as on 31.03.2022**	**Balance outstanding as on 31.03.2021**	**Relationship with the struck off company, if any, to be disclosed**
North East Info Services Pvt. Ltd.	Trade payables	-	899.15	N.A.
Assam Computer Services Pvt. Ltd.	Trade payables	51.96	51.96	N.A.
Vijaya Lakshmi Softtech Private Limited	Trade Receivable	12.08	12.08	N.A.

vi) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

vii) The Company has not traded or invested in cryptocurrency transactions / balances during the financial year.

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viii) Ratio Analysis and its elements

(All amounts in Rs. thousands, unless stated otherwise)

Ratios	Numerator	Denominator	March 31, 2022	March 31, 2021	% Change	Reasons for variance
Current Ratio	Current Assets	Current Liabilities	0.87	1.04	-16%	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.01	0.01	0%	
Debt Service Coverage ratio	Earnings available for debt service	Debt Service	-	-	0%	The Company is into cash losses. Therefore this ratio is capped at zero.
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	-18.91%	-651.52%	-97%	Decrease in losses has resulted in the improvement in the ratio
Inventory Turnover ratio	Cost of goods sold	Average Inventory	1.1	1.1	6%	
Trade Receivable Turnover Ratio	Total sales	Trade receivables	2.6	2.2	18%	
Trade Payable Turnover Ratio	Total purchases	Trade creditors	0.3	0.6	-42%	Purchases are decreased due to lower business as against same level of Trade Creditors. This resulted in negative movement in the ratio.
Net Capital Turnover Ratio	Net Sales	Working Capital	(14.9)	(5.4)	176%	Decreases in turnover on account of lower of business and decrease in average working capital in different proportion has resulted negative movement in the ratio
Net Profit ratio	Net Profit	Net Sales	(0.1)	(1.2)	-96%	Decrease in loss vis a vis the turnover has resulted in the improvement in the ratio
Return on Capital Employed	Earnings before interest and taxes	Capital Employed	(0.2)	(5.1)	-96%	Decrease in loss has resulted in the improvement in the ratio
Return on Investment	Finance income	Average Investment	0.04	0.03	33%	Higher return on investment in mutual fund due to longer holding period has resulted in the improvement in the ratio as against investment in fixed deposits for shorter duration in last year

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NIIT Learning Systems Limited Gurugram

S.R. Batliboi & Associates LLP Gurugram

NIIT LEARNING SYSTEMS LIMITED
(Formerly Known as Mindchampion Learning Systems Limited)
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Notes to the Financial Statements for the year ended March 31, 2022

ix) The Board of Directors of the Company, in its meeting held on January 28, 2022 has approved a Composite Scheme of Arrangement under section 230 to 232 and other applicable provisions of the Companies Act 2013 between NIIT Limited (Transferor Company) and NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited) (Transferee Company) a wholly owned subsidiary of the Company and their respective shareholders and creditors ("Scheme"). The Scheme inter-alia provides for, (i) Transfer and Vesting of CLG Business Undertaking by the Transferor Company to Transferee Company, (ii) Reduction and cancellation of Share Capital of Transferee Company held by Transferor Company, (iii) Issuance and allotment of shares by the Transferee Company to the shareholders of Transferor Company in consideration of transfer of CLG Business undertaking.

The Appointed Date for the Scheme is April 1, 2022 or such other date as directed by the Hon'ble Chandigarh Bench of the National Company Law Tribunal ("NCLT"). The Scheme is subject to receipt of regulatory and other approvals inter-alia approval from BSE Limited, National Stock Exchange of India Limited, SEBI, shareholders, creditors, NCLT and others, as may be applicable.
Expenses related to the Scheme have been recognised as an exceptional item in the statement of Profit and loss.

x) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

xi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

35 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

36 Previous year figures have been regrouped / reclassified to conform the current year classification.

Signatures to Notes '1' to '36' of these Financial Statements.

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No: 101049W/E300004

S.R. Batliboi & Associates LLP Gurugram

Sanjay Bachchani
Partner
Membership No. 400419

Place: Gurugram
Date: May 14, 2022

For and on behalf of the Board of Directors of
NIIT Learning Systems Limited
(Formerly Known as Mindchampion Learning Systems Limited)

P Rajendran
Director
DIN - 00042531

Vijay K Thadani
Director
DIN - 00042527

Sanjay Kumar Jain
Chief Financial Officer

Siddharth Nath
Company Secretary

NIIT Learning Systems Limited Gurugram

Place: Gurugram
Date: May 14, 2022

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

INDEPENDENT AUDITOR'S REPORT

To the Members of Mindchampion Learning Systems Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Mindchampion Learning Systems ("the Company"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the

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financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 30 to the Ind AS financial statements;

S.R. Batliboi & Associates LLP
Gurugram

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sanjay Bachchani
Partner
Membership Number: 400419
UDIN: 21400419AAAACM3491

Place of Signature: Gurugram
Date: June 03, 2021

Annexure 1
Annexure referred to in paragraph 1 of 'Report on other Legal and Regulatory Requirements'
Re: Mindchampion Learning Systems Limited ('the Company')

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years. According to the programme , fixed assets have been physically verified by the management during the year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management and audit procedures performed by us, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification. There was no inventory lying with third parties.

(iii) According to the information and explanations given to us and audit procedures performed by us, the Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the the delivery of content and courseware and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to salex tax, service tax, duty of custom, duty of excise, value added tax are not applicable to the Company.

S.R. Batliboi & Associates LLP
Gurugram

(b) According to the information and explanations given to us and audit procedures performed by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of income tax, goods and service tax, and cess which have not been deposited on account of any dispute.

(viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.

(ix) According to the information and explanations given by the management and audit procedures performed by us, the Company has not raised any money way of initial public offer/further public offer/debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management and audit procedures performed by us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with section 177 and 188 of Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given by the management and audit procedures performed by us, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the preferential allotment during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.

(xv) According to the information and explanations given by the management and audit procedures performed by us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Act.

S.R. Batliboi & Associates LLP * Gurugram

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Sanjay Bachchani
Partner
Membership No.: 400419
UDIN: 21400419AAAACM3491

S.R. Batliboi & Associates LLP
Gurugram

Place: Gurugram
Date: June 03, 2021

Annexure 2

Annexure referred to in paragraph 2(f) of 'Report on other Legal and Regulatory Requirements' of our report of even date

Re: Mindchampion Learning Systems Limited **('the Company')**

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

We have audited the internal financial controls with reference to Ind AS financial statements of Mindchampion Learning Systems Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these Ind AS financial statements.

S.R. Batliboi & Associates LLP
Gurugram

Meaning of Internal Financial Controls With Reference to these Ind AS Financial Statements

A company's internal financial controls with reference to Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Ind AS Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. Batliboi & Associates LLP
Gurugram

per Sanjay Bachchani
Partner
Membership Number: 400419
UDIN: 21400419AAAACM3491
Place: Gurugram
Date: June 03, 2021

MINDCHAMPION LEARNING SYSTEMS LIMITED
CIN: U72200DL2001PLC111674
Balance Sheet as at March 31, 2021

(All amounts in Rs., unless stated otherwise)

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	321,828	1,467,075
Intangible assets	4	38	20,019,628
Intangible assets under development	6	-	9,334,806
Right-of-use assets	5(ii)	177,529	515,201
Financial assets			
Trade receivables	7(ii)	68,750	1,035,224
Other financial assets	7(iii)	30,000	269,663
Income Tax Assets (net)	9	20,898,552	43,962,756
Other non-current assets	11	-	37,315
Total non-current assets		**21,496,697**	**76,641,668**
Current assets			
Inventories	10	17,195,132	41,257,059
Financial assets			
Investments	7(i)	46,929,054	-
Trade receivables	7(ii)	59,214,124	146,214,144
Cash and cash equivalents	7(iv)	16,451,260	19,360,789
Bank balances other than above	7(v)	7,000,000	-
Other financial assets	7(iii)	1,562,279	1,955,185
Other current assets	11	10,331,339	16,196,502
Total current assets		**158,683,188**	**224,983,679**
TOTAL ASSETS		**180,179,885**	**301,625,347**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	1,155,640,720	690,640,720
Other equity	13		
Reserves and surplus		(1,270,654,208)	(1,115,163,446)
Other reserves		142,717,181	146,317,181
TOTAL EQUITY		**27,703,693**	**(278,205,545)**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	14(i)	-	250,000,000
Lease Liabilities	5(ii)	-	229,143
Other financial liabilities	14(iii)	-	100,000
Other non-current liabilities	16	5,206	30,079
Total non-current liabilities		**5,206**	**250,359,222**
Current liabilities			
Financial liabilities			
Borrowings	14(i)	-	50,000,000
Lease Liabilities	5(ii)	183,690	307,142
Trade payables	14(ii)		
(a) Total outstanding dues of micro enterprises and small enterprises		-	3,301,257
(b) Total outstanding dues of Creditors other than Micro enterprises & small enterprises		108,641,511	192,777,158
Other financial liabilities	14(iii)	11,624,298	26,602,785
Provisions	15	10,135,710	17,404,299
Other current liabilities	16	21,885,777	39,079,029
Total current liabilities		**152,470,986**	**329,471,670**
TOTAL LIABILITIES		**152,476,192**	**579,830,892**
TOTAL EQUITY AND LIABILITIES		**180,179,885**	**301,625,347**

The accompanying notes form an integral part of these financial statements.
As per our report of even date.

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No: 101049W/E300004

Sanjay Bachchani
Partner
Membership No. 400419

Place: Gurugram
Date: June 03, 2021

For and on behalf of the Board of Directors of
Mindchampion Learning Systems Limited

P Rajendran
Director
DIN - 00042531

Vijay K Thadani
Director
DIN - 00042527

Umesh Kumar Gola
Chief Financial Officer

Siddharth Nath
Company Secretary

Place: Gurugram
Date: June 03, 2021

MINDCHAMPION LEARNING SYSTEMS LIMITED
CIN: U72200DL2001PLC111674

Statement of Profit and Loss for the year ended March 31, 2021

(All amounts in Rs., unless stated otherwise)

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Income			
Revenue from operations	17	130,245,371	245,478,212
Other income	18	15,564,620	7,940,935
Total Income		**145,809,991**	**253,419,147**
Expenses			
Purchase of stock-in-trade		7,552,843	60,614,521
Changes in inventories of stock-in-trade	10	9,110,051	(1,468,881)
Professional & technical outsourcing expenses		19,504,300	15,855,809
Employee benefits expenses	19	145,467,184	196,822,196
Finance costs	20	17,913,644	33,745,240
Depreciation and amortisation expense	3, 4 & 5 (ii)	8,105,617	35,025,455
Other expenses	21	56,861,228	86,768,552
Total Expenses		**264,514,867**	**427,362,892**
Loss before exceptional items and tax		**(118,704,876)**	**(173,943,745)**
Exceptional items (net)	23	(41,764,943)	(73,760,863)
Loss before Tax		**(160,469,819)**	**(247,704,608)**
Income tax expense:	24		
Current tax		774,943	-
Deferred tax		-	18,689,797
Total Tax Expenses		**774,943**	**18,689,797**
Loss for the year		**(161,244,762)**	**(266,394,405)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
a) Remeasurement of the defined benefit obligation	27	5,754,000	2,969,000
b) Income tax effect		-	-
Total other comprehensive loss for the year, net of tax		**5,754,000**	**2,969,000**
Total comprehensive loss for the year		**(155,490,762)**	**(263,425,405)**
(Loss) per equity share (Face Value Rs. 10/- each):	28		
-Basic		(1.40)	(3.86)
-Diluted		(1.40)	(3.86)

The accompanying notes form an integral part of these financial statements.
As per our report of even date.

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No: 101049W/E300004

Sanjay Bachchani
Partner
Membership No. 400419

S.R. Batliboi & Associates LLP * Gurugram

Place: Gurugram
Date: June 03, 2021

For and on behalf of the Board of Directors of Mindchampion Learning Systems Limited

P Rajendran
Director
DIN - 00042531

Vijay K Thadani
Director
DIN - 00042527

Umesh Kumar Gola
Chief Financial Officer

Siddharth Nath
Company Secretary

Place: Gurugram
Date: June 03, 2021

Mindchampion Learning Systems Ltd. Gurugram *

MINDCHAMPION LEARNING SYSTEMS LIMITED
CIN: U72200DL2001PLC111674
Statement of changes in equity for the year ended March 31, 2021

(All amounts in Rs., unless stated otherwise)

a) Equity Share Capital

Particulars	**Numbers**	**Amount**
Equity share of Rs. 10 each issued, subscribed and fully paid		
Balance as at April 1, 2019	**69,064,072**	**690,640,720**
Issue of equity share capital	-	-
Balance as at March 31, 2020	**69,064,072**	**690,640,720**
Issue of equity share capital	46,500,000	465,000,000
Balance as at March 31, 2021	**115,564,072**	**1,155,640,720**

b) Other Equity

	Reserves and surplus		**Other reserves**	
	Securities premium	**Retained earnings**	**Other equity**	**Total**
Balance as at April 1, 2019	20,000,000	(871,738,041)	146,317,181	(705,420,860)
Loss for the year	-	(266,394,405)	-	(266,394,405)
Other comprehensive loss (net of tax)	-	2,969,000	-	2,969,000
Total Comprehensive loss for the year	-	(263,425,405)	-	(263,425,405)
Balance as at March 31, 2020	**20,000,000**	**(1,135,163,446)**	**146,317,181**	**(968,846,265)**
Balance as at April 1, 2020	20,000,000	(1,135,163,446)	146,317,181	(968,846,265)
Loss for the year	-	(161,244,762)	-	(161,244,762)
Other comprehensive loss (net of tax)	-	5,754,000	-	5,754,000
Expenses for issue of equity share capital	-	-	(3,600,000)	(3,600,000)
Total Comprehensive loss for the year	-	(155,490,762)	(3,600,000)	(159,090,762)
Balance as at March 31, 2021	**20,000,000**	**(1,290,654,208)**	**142,717,181**	**(1,127,937,027)**

The accompanying notes form an integral part of these financial statements.
As per our report of even date.

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No: 101049W/E300004

Sanjay Bachchani
Partner
Membership No. 400419

Place: Gurugram
Date: June 03, 2021

For and on behalf of the Board of Directors of
Mindchampion Learning Systems Limited

P Rajendran
Director
DIN - 00042531

Vijay K Thadani
Director
DIN - 00042527

Umesh Kumar Gola
Chief Financial Officer

Siddharth Nath
Company Secretary

Place: Gurugram
Date: June 03, 2021

MINDCHAMPION LEARNING SYSTEMS LIMITED

CIN: U72200DL2001PLC111674

Statement of Cash Flow for the year ended March 31, 2021

(All amounts in Rs., unless stated otherwise)

	Year ended March 31, 2021	Year ended March 31, 2020
A. Cash Flow From Operating Activities:		
Loss before exceptional items and tax	**(118,704,876)**	**(173,943,745)**
Adjustments to reconcile (loss) before tax to net cash flows:		
Depreciation and amortisation	8,105,617	35,025,455
Allowance for doubtful debts	24,121,891	11,193,272
Allowance for doubtful advances and deposits	27,195	31,450
Provision for slow/Non- moving Inventory (Net)	2,227,100	(509,540)
Unrealised foreign exchange (gain)/ loss	246,570	(344,686)
Finance cost	17,913,644	33,745,240
Interest income	(5,591,632)	(1,037,119)
Gain on termination of Leases (Net)	(18,609)	-
Profit on sale of property, plant and equipment	(664,214)	(244,202)
Net gain on Investment carried at fair value through profit and loss	(431,829)	(633,542)
Operating profit before working capital changes	**(72,769,143)**	**(96,717,417)**
Working Capital Adjustments:		
(Decrease)/Increase in trade payables	(87,474,708)	8,403,115
(Decrease)/Increase in short term provisions	(1,514,589)	2,135,028
(Decrease) in long term provisions	-	(76,000)
(Decrease)/Increase in other current liabilities	(17,193,252)	6,774,460
(Decrease) in other non-current financial liabilities	(100,000)	-
(Decrease) in other non-current liabilities	(24,873)	(2,269,420)
(Decrease) in other current financial liabilities	(14,660,524)	(169,937)
Decrease in current trade receivables	59,191,439	57,949,902
Decrease in non current trade receivables	966,474	533,366
Decrease/(Increase) in inventories	6,882,951	(959,341)
Decrease/(Increase) in other current financial assets	727,984	(351,640)
Decrease in other non-current assets	37,315	72,922
Decrease in other current assets	5,865,163	3,409,000
Net Cash used in operations before tax	**(120,065,763)**	**(21,265,962)**
Direct Tax- (paid including TDS) / refund received (Net)	22,289,261	532,887
Net Cash flow used in operating activities (A)	**(97,776,502)**	**(20,733,075)**
B. Cash Flow From Investing Activities:		
Purchase of property, plant and equipment (including capital work-in-progress, internally generated intangibles and capital advances)	(686,589)	(10,310,058)
Proceeds from sale of Property, Plant and Equipment	891,303	296,398
Interest received	5,496,217	1,055,078
Encashment of bank deposits (net of placement)	(7,000,000)	13,653
Purchase of Mutual Funds	(55,497,225)	(99,500,000)
Proceeds from sale of Mutual Funds	9,000,000	112,363,467
Net cash flow generated/ (used in) from investing activities (B)	**(47,796,294)**	**3,918,538**

Mindchampion Learning Systems Ltd. Gurugram

S.R. Batliboi & Associates LLP Gurugram

MINDCHAMPION LEARNING SYSTEMS LIMITED

CIN: U72200DL2001PLC111674

Statement of Cash Flow for the year ended March 31, 2021

(All amounts in Rs., unless stated otherwise)

	Year ended	
	March 31, 2021	**March 31, 2020**
C. Cash Flow From Financing Activities:		
Loan taken from Holding Company	50,000,000	50,000,000
Repayments of borrowings	(350,000,000)	-
Interest paid on cash credit, borrowings and others	(18,190,486)	(33,345,955)
Payment of Lease Liabilities	(546,247)	(826,932)
Issue of equity share capital	465,000,000	-
Expense for issue of equity share capital	(3,600,000)	-
Net Cash flow generated from financing activities (C)	**142,663,267**	**15,827,113**
Net (Decrease) in Cash & Cash Equivalents (A) + (B) + (C)	**(2,909,529)**	**(987,424)**
Cash and Cash Equivalents at the beginning of the financial year	19,360,789	20,348,213
Cash and Cash Equivalents as at the end of the financial year	**16,451,260**	**19,360,789**

Reconciliation of cash and cash equivalents as per the cash flow statement

		As at	
1	**Particulars**	**March 31, 2021**	**March 31, 2020**
	Composition of Cash and cash equivalents included in the statement of cash flows comprise of the following balance sheet amounts:		
	Cash and cash equivalents as per the balance sheet (refer note 7(iv))	16,451,260	19,360,789
	Total	**16,451,260**	**19,360,789**

2 Figures in parenthesis indicate cash outflow.

3 The cash flow statement has been prepared using the indirect method as set out in Ind-AS 7.

The accompanying notes form an integral part of these financial statements.
As per our report of even date.

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No: 101049W/E300004

Sanjay Bachchani
Partner
Membership No. 400419

S.R. Batliboi & Associates LLP Gurugram

Place: Gurugram
Date: June 03, 2021

For and on behalf of the Board of Directors of Mindchampion Learning Systems Limited

P Rajendran
Director
DIN - 00042531

Vijay K Thadani
Director
DIN - 00042527

Umesh Kumar Gola
Chief Financial Officer

Siddharth Nath
Company Secretary

Place: Gurugram
Date: June 03, 2021

Mindchampion Learning Systems Ltd. Gurugram

1 Company Information

Mindchampion Learning Systems Limited (Formerly known as Hole-in-the-Wall Education Ltd), (' the Company') was set up in 2001 and was involved in the research and development activities for the purpose of discovering the extent to which poor children in rural and slum areas in India can access and learn from web based curriculum using a purpose built 'Internet Kiosk'. Pursuant to a Scheme of Arrangement, the School Business Undertaking (SLS) of NIIT Limited was transferred to the Company w.e.f. May 23, 2015 from appointed date of April 1, 2014. Presently, the Company is primarily in the business of providing education services and other related solutions to schools across India. The registered place of business of the Company is: 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi - 110019.

2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

(i) Compliance with Ind AS

These financial statements ('financial statements') have been prepared in accordance with the Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules as amended from time to time by the Ministry of Corporate Affairs ('MCA').

The financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and division II of schedule III of the Companies Act 2013. Further, for the purpose of clarity, various items are aggregated in the statement of profit and loss and balance sheet. Nonetheless, these items are dis-aggregated separately in the notes to the financial statements, where applicable or required. All the amounts included in the financial statements are reported in Indian Rupees ('Rupees' or 'Rs.') and are rounded to the nearest Indian Rupees, unless stated otherwise.

The financial statements were authorized for issue by the Board of Directors of the Company on June 03, 2021.

(ii) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:

- Financial assets and liabilities (including derivative instruments) that are measured at fair value or amortised cost
- Defined benefit plans – plan assets measured at fair value
- Share-based payments (ESOP's)

b) Foreign currency translation

i. Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (Rs.), which is the Company's functional and presentation currency.

ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the statement of profit and loss.

c) Current - non-current classification

Assets and liabilities are classified into current and non-current as follows:

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting period; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current assets include the current portion of non-current financial assets. All other assets (including deferred tax assets) are classified as non-current.

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Liabilities

A liability is classified as current when it satisfies any of the following criteria:

• it is expected to be settled in the Company's normal operating cycle;

• it is held primarily for the purpose of being traded;

• it is due to be settled within 12 months after the reporting period; or

• the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities (including deferred tax liabilities) are classified as non-current.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non-current.

d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, discounts and taxes.

When two or more revenue generating activities or deliverables are provided under a single arrangement, each deliverable that is considered to be a separate deliverable is accounted separately. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling prices in accordance with the principles given in Ind AS 115. Where the standalone selling prices are not directly observable, these are estimated based on expected cost plus margin or residual method to allocate the total transaction price. In cases of residual method, the standalone selling price is estimated by reference to the total transaction price less the sum of the observable standalone selling prices of other goods or services promised in the contract.

Services are provided under time and material contracts and fixed price contracts. Revenue from providing services is recognised over a period of time in the accounting period in which services are rendered. The revenue from time and material contracts is recognised at the amount to which the Company has right to invoice.

In respect of fixed price contracts, revenue is recognised based on the technical evaluation of utilization of services as per the proportionate completion method when no significant uncertainty exists regarding the amount of consideration that will be determined from rendering the service. The customer pays the fixed amount based on a payment schedule. If the services rendered by the Company exceed the payment, a contract asset is recognised. If the payment exceed the services rendered, a contract liability is recognised. Revenue from training is recognised over the period of delivery. The foreseeable losses on completion of contract, if any, are provided for. (i) Revenue in respect of sale of courseware is recognised when the significant risks and rewards of ownership in it are transferred to the buyer as per the terms of the contracts.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increase or decrease in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known to management.(ii) Revenue from the training services is recognised over the period of the course programs as the case may be. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided (percentage of completion method). Revenue from time and material contracts is recognised as the related services are performed.

Revenue in respect of sale of courseware and other physical deliverables is recognised at a point in time when these are delivered, the legal title is passed and the customer has accepted the courseware and other physical deliverables.

In other cases, where courseware is not considered a separate component under a contract, revenue from the composite course is recognised over the period of the training or the contract period, depending upon the terms and conditions.

e) Other Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and applicable rate of interest. Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

f) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CEO & CFO of the Company are considered as chief operating decision makers who assesse the financial performance and position of the Company, and make strategic decisions.

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g) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

The current income tax expense includes income taxes payable by the Company. The current tax payable by the Company in India is Indian income tax payable on worldwide income after taking credit for tax relief available.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision.

Deferred income taxes

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. MAT credit entitlement has been presented as deferred tax asset in Balance Sheet. Significant management judgement is required to determine the probability of recognition of MAT credit entitlement and deferred tax.

h) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(a) Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company has adopted the amendments to Ind AS 116 for the first time in the current year. The amendments provide practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

(a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

(b) Any reduction in lease payments affects only payments originally due on or before June 30, 2021 (a rent concession meets this condition if it results in reduced lease payments on or before June 30, 2021 and increased lease payments that extend beyond June 30, 2021); and

(c) There is no substantive change to other terms and conditions of the lease.

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b) Comapny as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

i) Investments and other financial assets

i) Classification

The Company classifies its financial assets in the following measurement categories:

• those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

• those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Any subsequent change in the fair value is charged to profit and loss.

iii) Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVOCI, trade receivables and contract assets, financial guarantee contracts, and certain other financial assets measured at amortised cost such as deferred consideration receivable on disposal of subsidiaries. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company recognises lifetime expected credit losses (ECL) for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

j) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdraft are shown as borrowings in current financial liabilities in the balance sheet.

k) Trade receivables

Trade receivables are recognised initially at fair value and subsequently adjusted for expected credit loss using the effective interest

l) Inventories: Traded goods

Traded goods are stated at the lower of cost or net realisable value. Cost of traded goods comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average method. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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m) Property, plant and equipment

The Company had applied for the one-time transition exemption of considering the carrying cost on the transition date i.e. April 01, 2016 as the deemed cost under Ind AS, regarded thereafter as historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Description of Assets	Useful life
Plant and Equipment including:	
- Computers, Printers and related Accessories	3 Years
- Computer Servers and Networks	5 Years
- Electronic Equipments	8 years
- Air Conditioners	10 years
Office Equipments	5 years
Furniture & Fixtures	7 years
Leasehold Improvements	3-5 years or lease period, whichever is lower
All other assets	Life prescribed under Schedule II to the Companies Act, 2013

Depreciation is provided on pro-rata basis on the straight line method over the useful lifes of the assets. The depreciation charge for each period is recognised in the statement of profit and loss . The residual values is considered as nil.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/ (expenses).

n) Intangible assets

Computer software, Educational content/products - Acquired

These Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Education content / products - Internally generated

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Development costs that are directly attributable to the design, develpoment and testing of identifiable and unique educational content / products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the development so that it will be available for use;
- management intends to complete the content / product and use;
- there is an ability to use or sell the content / product;
- it can be demonstrated how the content / product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the content / product are available, and
- the expenditure attributable to the content / product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the intangibles include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Amortisation methods and periods

Intangible assets are amortised on a straight line basis over their estimated useful lives which are as follows:

Particulars	Useful lifes
Internally generated (Content and products)	
- School based non-IT content	10 years
- Others	3-5 years
Acquired (Software, content and products)	3-5 years

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o) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Companys of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

p) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

q) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

r) Provisions

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

s) Employee benefits

i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

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iii) Post-employment obligations

The Company operates the following post-employment schemes:

- Defined benefit plans such as Gratuity and Compensated absence.
- Defined contribution plans such as Provident fund, Superannuation fund, Pension fund and National Pension system.

Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation are recognised immediately in profit or loss as past service cost.

Compensated absences

Liability in respect of compensated absences is provided for both encashable leave and those expected to be availed. The Company has defined benefit plans for compensated absences for employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using projected unit credit method. Any gain or loss arising out of such valuation is recognised in the Statement of profit and loss as income or expense as the case may be.

Accumulated compensated absences, which are expected to be availed within twelve months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected undiscounted cost of accumulated compensated absences expected to be availed based on the unutilized entitlement at the year end.

Provident fund

The Company makes contribution to the "NIIT LIMITED EMPLOYEES' PROVIDENT FUND TRUST" for certain entities in India, which is a defined benefit plan to the extent that the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company's obligation in this regard is actuarially determined using projected unit credit method and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

The Company's contribution towards Provident Fund is charged to Statement of Profit and Loss.

Superannuation

The Company makes defined contribution, to the Trust established for the purpose by the company towards superannuation fund maintained with Life Insurance Corporation of India. The Company has no further obligations beyond its monthly contributions. Contribution made during the year is charged to Statement of Profit and Loss.

Pension Fund

The Company makes defined contribution to a government administered pension fund towards it's pension plan on behalf of its employees. The Company has no further obligations beyond its monthly contributions. The contribution towards Employee Pension Scheme is charged to Statement of Profit and Loss.

National Pension System

The Company makes defined contribution towards National Pension System for certain employees for which Company has no further obligation. Contributions made during the year are charged to Statement of Profit and Loss.

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t) Share based payments

Employee stock option plan (ESOP)

The fair value of options granted under the 'NIIT Employee Stock Option Plan 2005' is recognized as an employee benefits expense with a corresponding no increase in equity during the year/ previous year. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

u) Share capital

Equity share capital

Issuance of ordinary shares are recognised as equity share capital in equity. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

v) Earnings per share

i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.

ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

• the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

• the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

w) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, In the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to/ by the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net asset value.

Level 2: The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The Company measures financial instruments, such as, investments (other than investment in subsidiaries), at fair value at each reporting date.

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MINDCHAMPION LEARNING SYSTEMS LIMITED
CIN: U72200DL2001PLC111674
Notes to the Financial Statements for the year ended March 31, 2021

x) Exceptional items

Exceptional items refer to items of income or expense within the income statement that are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance for the period.

Materiality threshold can be used to select items to be disclosed as exceptional on case to case basis. This threshold would be applied separately for standalone as well as consolidated financial statements. However, in case an item qualifies for disclosure in standalone financial statements but not in consolidated financial statements or vice versa, this would need to be evaluated on case to case basis.

Basis the above analysis, mainly following items would be evaluated for disclosure as exceptional items:

a) **Business Combination:** Impact of one-time accounting policy alignment / unusual write off / impairment of assets arising as a result of business combination, including transaction cost.

b) **Fair valuation gains on business combination.**

c) **Reassessment / Change in life of asset** (in case of re-evaluation of business/product, impact of all assets specific to that business/product to be considered for applying the threshold).

d) **Disputed regulatory / tax levies including tax rate change having retrospective impact** (other than impact on account of restatement of deferred tax asset / liability for tax rate change) – only impact for the past periods to be disclosed as exceptional.

e) Provision for other than temporary diminution in the value of non-current investment.

f) **Shareholders' dispute settlement arising out of merger / acquisition transactions.**

g) Write-downs of inventories to net realisable value or of property, plant and equipment to recoverable amount, as well as reversals of such write-downs.

In case of **other significant item** of income or expense, not covered above, the same would be **evaluated on a case to case** basis for disclosure under exceptional items.

y) Critical accounting estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.
Information about significant areas of estimation/uncertainty and judgements in applying accounting policies that have the most significant effect on the financial statements are as follows:
Measurement of defined benefit obligations: key actuarial assumptions - refer note 2 (s).
Measurement of useful life and residual values of property, plant and equipment - refer note 2 (m) & 2 (n).
Fair value measurement of financial instruments - refer note 2 (v)
Judgement required to determine probability of recognition of deferred tax assets and MAT credit entitlement - refer note 2 (g).
There are no major assumptions and estimation that have a significant risk of resulting in a material adjustment within the next financial year.

z) Amendments to Division I, II and III of Schedule III

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. The amendments require extensive disclosures / reclassifications. The Company will evaluate the same to give effect to the changes as required by law from Financial Year 2021-22 and onwards.

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(All amounts in Rs., unless stated otherwise)

3 Property, Plant and Equipment

Particulars	Plant & Equipments	Leasehold Improvements	Furniture & Fixtures	Office Equipments	Total tangible assets
Year end March 31, 2020					
Gross carrying amount					
Gross carrying amount as on April 01, 2019	19,230,715	520,493	786,045	15,837	**20,553,090**
Additions	631,775	-	-	-	**631,775**
Disposals/Sale	3,613,912	-	7,867	2,642	**3,624,421**
Closing Gross Carrying Amount (A)	**16,248,578**	**520,493**	**778,178**	**13,195**	**17,560,444**
Accumulated Depreciation					
Accumulated depreciation as on April 01, 2019	16,640,793	359,076	628,739	15,822	**17,644,430**
Depreciation charged during the year	1,893,369	11,881	115,920	-	**2,021,170**
Disposals/Sale	3,561,724	-	7,866	2,641	**3,572,231**
Closing accumulated depreciation (B)	**14,972,438**	**370,957**	**736,793**	**13,181**	**16,093,369**
Net Carrying Amount (A-B)	**1,276,140**	**149,536**	**41,385**	**14**	**1,467,075**
Year end March 31, 2021					
Grossing Carrying amount					
Gross carrying amount as on April 01, 2020	16,248,578	520,493	778,178	13,195	**17,560,444**
Additions	5,070				**5,070**
Disposals/Sale	10,423,691	272,409	520,862	13,195	**11,230,157**
Closing Gross Carrying Amount (C)	**5,829,957**	**248,084**	**257,316**	**-**	**6,335,357**
Accumulated Depreciation					
Accumulated depreciation as on April 01, 2020	14,972,438	370,957	736,793	13,181	**16,093,369**
Transfer	-	82,695	(82,695)	-	**-**
Depreciation charged during the year	826,417	66,833	30,251	-	**923,501**
Disposals/Sale	10,225,624	272,402	492,134	13,181	**11,003,341**
Closing accumulated depreciation (D)	**5,573,231**	**248,083**	**192,215**	**-**	**6,013,529**
Net Carrying Amount (C-D)	**256,726**	**1**	**65,101**	**-**	**321,828**

4 Intangible assets and intangible assets under development

Particulars	Internally Generated (footnote i)	Software acquired	Total Intangibles assets other than assets under Development	Intangible Assets under Development (footnote i)	Total intangible assets
Year end March 31, 2020					
Gross carrying amount					
Gross carrying amount as on April 01, 2019	123,591,712	3,627,495	**127,219,207**	25,024,150	**152,243,357**
Additions	25,024,150	-	**25,024,150**	9,334,806	**34,358,956**
Transfer	-	-	-	(25,024,150)	**(25,024,150)**
Disposals	-	276,659	**276,659**	-	**276,659**
Closing gross carrying amount (A)	**148,615,862**	**3,350,836**	**151,966,698**	**9,334,806**	**161,301,503**
Accumulated Amortisation and Impairment					
Accumulated amortization as on April 01, 2019	65,226,686	3,627,209	**68,853,895**	-	**68,853,895**
Amortisation charge for the year	32,237,591	-	**32,237,591**	-	**32,237,591**
Disposals	-	276,653	**276,653**	-	**276,653**
Amortisation charged in exceptional items (Refer note 23)	31,132,237	-	**31,132,237**	-	**31,132,237**
Closing accumulated amortisation (B)	**128,596,514**	**3,350,556**	**132,500,376**	**-**	**132,500,376**
Net carrying amount (A-B)	**20,019,348**	**280**	**20,019,628**	**9,334,806**	**29,354,434**
Year end March 31, 2021					
Gross carrying amount					
Gross carrying amount as on April 01, 2020	148,615,862	3,350,836	**151,966,698**	9,334,806	**161,301,504**
Additions	10,016,325	-	**10,016,325**	681,519	**10,697,844**
Transfer	-	-	-	(10,016,325)	**(10,016,325)**
Disposals	-	592,259	**592,259**	-	**592,259**
Closing gross carrying amount (C)	**158,632,187**	**2,758,577**	**161,390,764**	**-**	**161,390,764**
Accumulated Amortisation and Impairment					
Accumulated amortization as on April 01, 2020	128,596,514	3,350,556	**131,947,070**	-	**131,947,070**
Amortisation charge for the year	6,673,304	-	**6,673,304**	-	**6,673,304**
Disposals	-	591,986	**591,986**	-	**591,986**
Amortisation charged in exceptional items (Refer note 23)	23,362,338	-	**23,362,338**	-	**23,362,338**
Closing accumulated amortisation (D)	**158,632,156**	**2,758,570**	**161,390,726**	**-**	**161,390,726**
Net carrying amount (C-D)	**31**	**7**	**38**	**-**	**38**

Footnote:

(i) Refer note 6 for cost incurred during the year on internally generated intangible assets.

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(All amounts in Rs., unless stated otherwise)

5 Leases

(i) The following are the amounts recognised in the statement of profit and loss for short term leases:

The Company has entered into leases for office premises, employee accommodations, equipments and vehicles which are cancelable at the option of the Company by giving the requisite notice. Aggregate payments during the year under short term leases are as shown hereunder:

Particulars	**Year ended**	
	March 31, 2021	**March 31, 2020**
In respect of premises*	6,255,647	8,898,767
In respect of equipments**	86,891	375,029
Total	**6,342,538**	**9,273,796**

* includes payment in respesct of premises for office and employee accommodation.
** includes payment in respect of computers, printers and other equipments.

(ii) The following are the carrying amount of right-of-use assets recognised and movement:-

Particulars	**Vehicle**	**Total**
As at April 1, 2019	**1,209,419**	**1,209,419**
Additions	72,476	72,476
Depreciation	(766,694)	(766,694)
As at March 31, 2020	**515,201**	**515,201**
Additions/Modification	443830	443,830
Deletion	(272,690)	(272,690)
Depreciation	(508,812)	(508,812)
As at March 31, 2021	**177,529**	**177,529**

The following are the carrying amount of Lease liabilities and movement:-

Particulars	**Vehicle**	**Total**
As at April 1, 2019	**1,209,419**	**1,209,419**
Additions	72,476	72,476
Accretion of interest (Refer note 20)	81,322	81,322
Payments	(826,932)	(826,932)
As at March 31, 2020	**536,285**	**536,285**
Additions	443,830	443,830
Deletion	(291,299)	(291,299)
Accretion of interest (Refer note 20)	41,121	41,121
Payments	(546,247)	(546,247)
As at March 31, 2021	**183,690**	**183,690**

The following is the break-up of current and non-current lease liabilities

Particulars	**March 31, 2021**	**March 31, 2020**
Current Lease liabilities	183,690	307,142
Non-Current Lease liabilities	-	229,143
Total	**183,690**	**536,285**

The following are the amounts recognised in the statement of profit and loss:

Particulars	**March 31, 2021**	**March 31, 2020**
Depreciation expense of right of use assets	508,812	766,694
Interest expense on Lease liabilities (Refer note 20)	41,121	81,322
Gain on termination of Leases (Net) (Refer note 18)	(18,609)	-
Total	**531,324**	**848,016**

The table below provides details regarding the contractual maturities of lease liabilities

Particulars	**March 31, 2021**	**March 31, 2020**
Less than one year	183,690	307,142
One to Two years	-	133,243
More than Two years	-	95,900
Total	**183,690**	**536,285**

6 Intangible assets under development

The Company internally develops software tools, platforms and content/courseware. The management estimates that this would result in enhanced productivity and offer more technology based learning products/ solutions to the customers in future. The Company is confident of its ability to generate future economic benefits out of the abovementioned assets. The costs incurred during the year towards the development are as follows:

Description	**Year ended**	
	March 31, 2021	**March 31, 2020**
Opening Intangible assets under development	9,334,806	25,024,150
Add:-Expenditure during the year		
Salary and other Employee Benefits	681,339	3,814,434
Professional & Technical Outsourcing Expenses	-	5,453,437
Other expenses	180	66,935
Less:-Intangible assets capitalised during the year	(10,016,325)	(25,024,150)
Closing Balance at the end of the year	**-**	**9,334,806**

7 Financial Assets

7(i) Current Investment carried at Fair Value through profit or loss

(All amounts in Rs., unless stated otherwise)

	As at March 31, 2021	As at March 31, 2020
Investment [Quoted]		
Mutual Funds	46,929,054	-
Total	**46,929,054**	**-**
Aggregate value of Quoted investments	**46,929,054**	**-**
Market value of Quoted investments	**46,929,054**	**-**

7(ii) Trade Receivables

	Non-Current March 31, 2021	Non-Current March 31, 2020	Current March 31, 2021	Current March 31, 2020
Unsecured, considered good*				
Trade Receivables	68,750	1,035,224	59,214,124	146,214,144
Trade Receivables - credit impaired	-	-	201,196,548	173,623,930
Less: Allowance for expected credit loss (Refer note 26)	-	-	(201,196,548)	(173,623,930)
Total	**68,750**	**1,035,224**	**59,214,124**	**146,214,144**

Trade receivables are non-interest bearing and are generally on terms of 60 to 90 days.
* Trade Receivables includes receivables from Related Parties amounting to Rs. 10,859,447 (Previous year Rs. 440,436)-(Refer note 29).

7(iii) Other Financial Assets

		Non-Current March 31, 2021	Non-Current March 31, 2020	Current March 31, 2021	Current March 31, 2020
a) Security Deposits					
Unsecured, considered good		30,000	30,000	145,000	213,000
	(A)	**30,000**	**30,000**	**145,000**	**213,000**
b) Contract Assets					
Unbilled Revenue (Refer note 32)		-	-	1,082,201	1,742,185
	(B)	**-**	**-**	**1,082,201**	**1,742,185**
c) Interest Accrued on bank deposits		-	9,623	105,038	-
	(C)	**-**	**9,623**	**105,038**	**-**
d) Bank deposits					
With remaining maturity of more than 12 months*		-	230,040	-	-
With remaining maturity of less than 12 months*		-	-	230,040	-
	(D)	**-**	**230,040**	**230,040**	**-**
	Total (A+B+C+D)	**30,000**	**269,663**	**1,562,279**	**1,955,185**

*Deposit of Rs. 230,040 (Previous year Rs. 230,040) pledged as margin money with bank for issuance of bank guarantees.

7(iv) Cash and Cash Equivalents

	As at March 31, 2021	As at March 31, 2020
Balance with banks		
-Current accounts	2,588,558	18,740,829
-Deposits with original maturity of less than 3 months*	13,000,000	-
Cheques and drafts on hand	862,702	619,960
Total	**16,451,260**	**19,360,789**

*Short term Deposits are made with banks for varying periods of up to three months depending on the immediate cash requirements of the Company and to earn interest at the respective short term deposit rates.

7(v) Bank balances other than above

	As at March 31, 2021	As at March 31, 2020
Bank deposits		
-With original maturity of more than 3 months and upto 12 months	7,000,000	-
Total	**7,000,000**	**-**

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(All amounts in Rs., unless stated otherwise)

	As at	
8 Deferred tax assets (Net)	**March 31, 2021**	**March 31, 2020**
The balance comprises temporary differences attributable to:		
Minimum alternate tax credit entitlement	-	-
Net Deferred tax assets	-	-

Reconciliation of deferred tax assets

	Minimum alternate tax credit entitlement
Opening balance as at April 01, 2019	**18,689,797**
Minimum alternate tax written off in the statement of profit and loss	(18,689,797)
Closing balance as at March 31, 2020	-
Tax expense recognised during the year	-
Closing balance as at March 31, 2021	-

Notes :

a) Deferred tax assets on brought forward losses has not been recognised in absence of availability of taxable income to set off the losses. Deferred tax assets on timing differences has not been recognised on account of prudence.

	As at	
9 Income tax assets / (liabilities) (Net)	**March 31, 2021**	**March 31, 2020**
Advance Income Tax	27,036,015	50,100,219
Less : Provision for Income Tax	(6,137,463)	(6,137,463)
	20,898,552	**43,962,756**

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(All amounts in Rs., unless stated otherwise)

	As at	
10 Inventories (Valued at lower of cost or net realisable value)	**March 31, 2021**	**March 31, 2020**
As at the end of the year		
Traded Goods		
a) Education and Training Material	12,230,176	36,117,621
b) Software	4,964,956	5,139,438
	17,195,132	**41,257,059**
As at the beginning of the year		
Traded Goods		
a) Education and Training Material	36,117,621	35,938,932
b) Software	5,139,438	3,849,246
	41,257,059	**39,788,178**
Decrease/(Increase) in Inventory*	**24,061,927**	**(1,468,881)**

* Net of provision for non-moving inventories of Rs. 20,074,465 (Previous year Rs. 2,895,489).

During the year, the Company has recognised inventory provision amounting to Rs. 14,951,876 (Previous year Rs. Nil) as a exceptional item (Refer note 23).

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Notes to the Financial Statements for the year ended March 31, 2021

(All amounts in Rs., unless stated otherwise)

11 Other Assets		**As at**			
		March 31, 2021	**March 31, 2020**	**March 31, 2021**	**March 31, 2020**
		Non-current		**Current**	
i) Advances to Suppliers in cash or in kind					
Unsecured, considered good		-	-	5,441,174	5,939,471
	(A)	-	-	**5,441,174**	**5,939,471**
ii) Prepaid Expenses		-	-	1,442,523	3,180,719
	(B)	-	-	**1,442,523**	**3,180,719**
iii) Other Advances recoverable in cash or in kind					
Unsecured, considered good		-	37,315	3,447,642	5,653,033
Unsecured, considered impaired		-	-	30,000	30,000
Less: Allowance for doubtful advances		-	-	(30,000)	(30,000)
	(C)	-	**37,315**	**3,447,642**	**5,653,033**
iv) Balance with government authorities		-	-	-	1,423,279
	(D)	-	-	-	**1,423,279**
Total other assets (A+B+C+D)		-	**37,315**	**10,331,339**	**16,196,502**

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Notes to the Financial Statements for the year ended March 31, 2021

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12 Share capital

a) Authorised share capital

Particulars	Equity shares of Rs. 10 each		Redeemable preference shares of Rs. 10 each	
	Number of shares	Amount	Number of shares	Amount
As at April 01, 2019	**70,000,000**	**700,000,000**	**10,000,000**	**100,000,000**
Increase during the year	-	-	-	-
As at March 31, 2020	**70,000,000**	**700,000,000**	**10,000,000**	**100,000,000**
Increase during the year	40,000,000	400,000,000	-	-
Conversion during the year	10,000,000	100,000,000	(10,000,000)	(100,000,000)
As at March 31, 2021	**120,000,000**	**1,200,000,000**	-	-

Note:

i) During the year, the Authorized Equity Share Capital of the Company has been increased from 700,000,000 (divided into 70,000,000 equity shares of Rs. 10 each) to 1,200,000,000 (divided into 120,000,000 equity shares of Rs. 10 each) by converting existing 10,000,000 Authorised Preference Shares of Rs. 10 each into 10,000,000 Authorised Equity Shares of Rs. 10 each and by adding 40,000,000 Equity Shares of Rs. 10 each.

b) Movement in equity share capital

Particulars	Equity shares	
	Number of shares	Amount
As at April 01, 2019	**69,064,072**	**690,640,720**
Issued during the year	-	-
As at March 31, 2020	**69,064,072**	**690,640,720**
Issued during the year	46,500,000	465,000,000
As at March 31, 2021	**115,564,072**	**1,155,640,720**

c) Detail of class of Equity Shares held by the Holding Compai

As at

Particulars	March 31, 2021		March 31, 2020	
	No. of shares	Amount in Rs.	No. of shares	Amount in Rs.
NIIT Limited	115,564,072	1,155,640,720	69,064,072	690,640,720

d) Details of Shareholders holding more than 5% shares in the Company

As at

Particulars	March 31, 2021		March 31, 2020	
	No. of shares	Amount in Rs.	No. of shares	Amount in Rs.
NIIT Limited	115,564,072	100%	69,064,072	100%
Total	**115,564,072**	**100%**	**69,064,072**	**100%**

Out of the above, 6 Equity Shares are registered in the names of individuals, the beneficial interest of which lies with the Holding Company.

e) Terms/ rights attached to equity shares

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

f) Other details of equity shares for a period of five years immediately preceding March 31, 2021

i) 50,000,000 equity shares of Rs. 10 each were allotted on August 4, 2017 to NIIT Limited by conversion of earlier issued Optionally Convertible Debentures.

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(All amounts in Rs., unless stated otherwise)

	As at March 31, 2021	As at March 31, 2020
13 Other Equity		
Reserves and Surplus [Refer note 13(i)]		
Securities Premium	20,000,000	20,000,000
Retained Earnings	(1,290,654,208)	(1,135,163,446)
Other Reserves [Refer note 13(ii)]	142,717,181	146,317,181
Total reserves and surplus	**(1,127,937,027)**	**(968,846,265)**

	As at March 31, 2021	As at March 31, 2020
13(i) Reserves and Surplus		
a) Securities Premium		
Balance at the beginning of the year	20,000,000	20,000,000
Balance at the end of the year (A)	**20,000,000**	**20,000,000**
b) Retained Earnings		
Balance at the beginning of the year	(1,135,163,446)	(871,738,041)
Loss for the year	(161,244,762)	(266,394,405)
Other comprehensive loss	5,754,000	2,969,000
Balance at the end of the year (B)	**(1,290,654,208)**	**(1,135,163,446)**
Total Reserves and Surplus (C) = (A+B)	**(1,270,654,208)**	**(1,115,163,446)**

	As at March 31, 2021	As at March 31, 2020
13(ii) Other Reserves		
a) Other equity		
Balance at the beginning of the year	146,317,181	146,317,181
Expenses on issue of equity share capital	(3,600,000)	-
Balance at the end of the year (D)	**142,717,181**	**146,317,181**
Total Other Equity (C+D)	**(1,127,937,027)**	**(968,846,265)**

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(All amounts in Rs., unless stated otherwise)

		As at			
14	**Financial Liabilities**				
14(i)	**Borrowings**	**March 31, 2021**	**March 31, 2020**	**March 31, 2021**	**March 31, 2020**
	From related parties				
	Loans from Holding Company *	-	250,000,000	-	50,000,000
	Sub Total (A)	**-**	**250,000,000**	**-**	**50,000,000**
	Total	**-**	**250,000,000**	**-**	**50,000,000**

* During the year, the Company has taken loan amounting to Rs. 50,000,000 (Previous year Rs. 50,000,000) from NIIT Limited (Holding Company) for meeting its working capital requirement and the entire loan of Rs. 350,000,000 (Previous year Rs. Nil) was repaid back to the NIIT Limited (Holding Company) (Refer note 29).

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(All amounts in Rs., unless stated otherwise)

14(ii) Trade Payables	As at **March 31, 2021**	**March 31, 2020**
Total outstanding dues of Creditors other than Micro enterprises & small enterprises	104,377,556	143,932,069
Total outstanding dues of micro enterprises and small enterprises	-	3,301,257
Trade payables to related parties (Refer note 29)	4,263,955	48,845,089
Total trade payables	**108,641,511**	**196,078,415**

Trade payables are non-interest bearing and are normally settled on 45 days term.
Parties covered under Micro, Small and Medium-Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2021 have been identified on the basis of information available with the Company. Disclosures as per Section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as follows:

Particulars	**March 31, 2021**	**March 31, 2020**
a) the principal amount and the interest due thereon remaining unpaid to any supplier		
i) Principal amount	-	3,301,208
ii) Interest thereon	-	49
b) the amount of payment made to the supplier beyond the appointed day and the interest thereon, during an accounting year		
i) Principal amount	520,707	473,505
ii) Interest thereon	2,995	3,118
c) the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	49
e) amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor	-	-

14(iii) Other Financial Liabilities	As at **March 31, 2021**	**March 31, 2020**	**March 31, 2021**	**March 31, 2020**
	Non-current		**Current**	
Interest accrued but not due on borrowings	-	-	-	317,963
Security Deposits	-	100,000	-	-
Other Payables *	-	-	11,624,298	26,284,822
Total other financial liabilities	**-**	**100,000**	**11,624,298**	**26,602,785**

* Includes Payable to Employees amounting to Rs. 11,043,523 (Previous year Rs. 24,707,314) out of which Payables to Key Managerial Person amounting to Rs. 153,206 (Previous year Rs. 625,684).

15 Provisions	As at **March 31, 2021**	**March 31, 2020**
	Current	
Provision for Employee Benefits :		
Provision for Gratuity (Refer note 27)	6,948,710	11,258,299
Provision for Compensated Absences	3,187,000	6,146,000
Total Provision	**10,135,710**	**17,404,299**

16 Other Liabilities	As at **March 31, 2021**	**March 31, 2020**	**March 31, 2021**	**March 31, 2020**
	Non-current		**Current**	
Contract Liabilities (Refer note 32)				
-Deferred Revenue	5,206	30,079	3,744,186	8,264,432
-Advances from Customers	-	-	9,546,412	18,759,604
Statutory Dues*	-	-	8,595,179	12,054,993
Total other liabilities	**5,206**	**30,079**	**21,885,777**	**39,079,029**

* Statutory Dues mainly includes withholding tax, Goods and service tax and Contribution to Provident fund etc.

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		Year ended	
17	**Revenue From Operations (Refer note 32)**	**March 31, 2021**	**March 31, 2020**
	Sale of Products :		
	-Courseware and Training Material	42,678,072	100,843,032
	-Hardware & Accessories	6,802,632	32,855,923
	Sale of Services	80,764,667	111,786,817
	- Discounts & Rebates	-	(7,560)
		130,245,371	**245,478,212**

		Year ended	
18	**Other Income**	**March 31, 2021**	**March 31, 2020**
	Interest Income on Bank Deposits carried at amortized cost	181,161	55,675
	Interest income on income tax refund received	5,410,471	981,444
	Net gain on Investment carried at fair value through profit or loss	431,829	633,542
	Gain on sale / disposal of Property, Plant and Equipment and Intangible assets (Net)	664,214	244,202
	Gain on foreign currency translation and transaction (net)	-	307,593
	Gain on termination of Leases (Net) (Refer note 5(ii))	18,609	-
	Other Non-Operating Income	8,858,336	5,718,479
		15,564,620	**7,940,935**

		Year ended	
19	**Employee Benefits Expenses#**	**March 31, 2021**	**March 31, 2020**
	Salary,Wages and Bonus	134,500,651	181,319,568
	Contribution to Provident and other Funds (Refer note 27)	9,102,946	11,936,367
	Share Based Payments*	273,717	216,970
	Staff Welfare expense	1,589,870	3,349,291
		145,467,184	**196,822,196**

Net of Rs. 681,339 (Previous year Rs. 3,814,434) capitalized in intangible assets (Refer note 6).

*Share Based Payments Expenses are payable to the Holding Company.

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MINDCHAMPION LEARNING SYSTEMS LIMITED
CIN: U72200DL2001PLC111674
Notes to the Financial Statements for the year ended March 31, 2021

(All amounts in Rs., unless stated otherwise)

20	**Finance Costs**	**Year ended March 31, 2021**	**Year ended March 31, 2020**
	Interest Expense	17,721,839	32,372,934
	Interest on lease liabilities [Refer note 5(ii)]	41,121	81,322
	Other Borrowing Costs (Refer note 29)	150,684	1,290,984
		17,913,644	**33,745,240**

21	**Other Expenses***	**Year ended March 31, 2021**	**Year ended March 31, 2020**
	Equipment Hiring [Refer note 5(i)]	86,891	375,029
	Freight and Cartage	3,631,496	6,170,319
	Rent [Refer note 5(i)]	6,255,647	8,898,767
	Rates and Taxes	65,114	-
	Power & Fuel	698,148	1,951,996
	Communication	1,678,099	2,695,307
	Legal and Professional (Refer note 22)	10,228,408	9,950,922
	Management Cost Recovery by Holding Company	4,670,453	8,049,546
	Travelling and Conveyance	1,492,970	26,986,734
	Allowance for Doubtful Debts (Refer note 26)	24,121,891	11,193,272
	Allowance for Doubtful Advances and Deposits	27,195	31,450
	Insurance	5,026	6,628
	Repairs and Maintenance		
	- Plant and Machinery	855,343	455,518
	- Buildings	47,168	133,389
	- Others	1,077,157	2,051,221
	Consumables	199,350	3,263,878
	Loss on Foreign Currency Translation and Transaction (net)	193,557	-
	Security and Administration Services	894,330	1,462,794
	Bank Charges	64,973	81,890
	Marketing & Advertising Expenses	175,987	2,102,273
	Sundry Expenses	392,025	907,619
		56,861,228	**86,768,552**

* Net of Rs. 180 (Previous year Rs. 66,935) capitalized in intangible assets (Refer note 6).

22	**Payment To Auditors (included in legal and professional fees)**	**Year ended March 31, 2021**	**Year ended March 31, 2020**
	As Auditor		
	- Audit Fee	523,800	523,800
	- Certification Fee	-	50,000
	- Reimbursement of expenses	40,333	44,183
		564,133	**617,983**

23	**Exceptional Items**	**Year ended March 31, 2021**	**Year ended March 31, 2020**
	Provision for Doubtful recoverable in government projects [Refer note-(i) below]	-	(31,790,845)
	Provision for Impairment on Intangible assets [Refer note-(ii) below]	(23,362,338)	(31,132,237)
	Provision for Doubtful debts [Refer note-(ii) below]	(3,450,729)	(10,837,781)
	Provision for Inventory [Refer note-(ii) below]	(14,951,876)	-
	Total	**(41,764,943)**	**(73,760,863)**

(i) During the previous year, the Company had discontinued Government and strategic alliances operations and made a provision for Doubtful debts related to the business.

(ii) The Company has assessed the possible effects that may result from COVID-19 on the carrying value of assets and created an additional provision for doubtful debts, inventories and intangible assets of Rs. 41,764,943 (Previous year Rs. 41,970,018).

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Notes to the Financial Statements for the year ended March 31, 2021

(All amounts in Rs., unless stated otherwise)

24 Income tax expense

(a) Income tax expense

	Year ended	
	March 31, 2021	**March 31, 2020**
Current tax		
Write off Foreign tax credit	774,943	-
Total current tax expense	**774,943**	**-**
Deferred tax		
Write off minimum alternate tax credit	-	18,689,797
Total deferred tax expense	**-**	**18,689,797**
Income tax expense	**774,943**	**18,689,797**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

	Year ended	
	March 31, 2021	**March 31, 2020**
Loss before Tax	(160,469,819)	(247,704,608)
Write off minimum alternate tax credit	-	18,689,797
Write off Foreign tax credit	774,943	-
Total tax expenses	**774,943**	**18,689,797**

* Since there is loss, therefore no tax is computed.

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(All amounts in Rs., unless stated otherwise)

25 Fair value measurements

(i) Fair value hierarchy

To provide indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard explained below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net asset value.
Level 2: The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:
- The use of quoted market prices for similar instruments.
- The fair value of forward foreign exchange contracts is determined using Mark to Market Valuation by the respective bank at the balance sheet date.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Financial instruments by category and hierarchy of measurement

	As at			
	March 31, 2021		March 31, 2020	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investments	46,929,054	-	-	-
Trade receivables	-	59,282,874	-	147,249,368
Cash and bank balances	-	16,451,260	-	19,360,789
Bank balances other than above	-	7,000,000	-	-
Other financial assets	-	1,592,279	-	2,224,848
Total financial assets	**46,929,054**	**84,326,413**	**-**	**168,835,005**
Financial liabilities				
Borrowings	-	-	-	300,000,000
Trade payables	-	108,641,511	-	196,078,415
Lease liabilities	-	183,690	-	536,285
Other financial liabilities	-	11,624,298	-	26,702,785
Total financial liabilities	**-**	**120,449,499**	**-**	**523,317,485**

As of March 31, 2021 and March 31, 2020 , the fair value of cash and bank balances, trade receivables, other financial assets and liabilities, borrowings, trade payables approximate their carrying amount largely due to nature of these instruments.

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(All amounts in Rs., unless stated otherwise)

26 Financial risk management

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 59,282,874 and Rs. 147,249,368 as of March 31, 2021 and March 31, 2020, respectively and unbilled revenue amounting to Rs. 1,082,201 and Rs. 1,742,185 as of March 31, 2021 and March 31, 2020, respectively. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned through government customers and other corporate customers. The Company has used the expected credit loss model to assess the impairment loss or gain on trade receivables and unbilled revenue, and has provided it wherever appropriate. The following table gives the movement in allowance for expected credit loss:

Reconciliation of loss allowance provision – Trade receivables

Particulars	Amount in Rs.
Loss allowance as on April 01, 2019	**119,802,030**
Add: Provision for Expected credit loss (Refer note 21)	11,193,272
Add: Additional provisional created through exceptional (Refer note 23)	42,628,626
Loss allowance as on March 31, 2020	**173,623,928**
Add: Provision for Expected credit loss (Refer note 21)	24,121,891
Add: Additional provisional created through exceptional (Refer note 23)	3,450,729
Loss allowance as on March 31, 2021	**201,196,548**

(B) Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has no outstanding borrowings except term loans and working capital limits from banks. Working capital limit is secured by a first charge on the book debts of the Company and by a second charge on movable assets of the Company. However, the Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

(i) Maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2021:

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Trade payables	108,641,511	-	-	108,641,511
Lease liabilities	183,690	-	-	183,690
Other financial liabilities	11,624,298	-	-	11,624,298
Total non-derivative liabilities	**120,449,499**	**-**	**-**	**120,449,499**

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2020:

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Borrowings	50,000,000	250,000,000	-	300,000,000
Lease liabilities	307,142	133,243	95,900	536,285
Trade payables	196,078,415	-	-	196,078,415
Other financial liabilities	26,602,785	-	100,000	26,702,785
Total non-derivative liabilities	**272,988,342**	**250,133,243**	**195,900**	**523,317,485**

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments measured at FVTPL and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There are no significant borrowings on the financial statements. Hence, there is no significant concentration of interest rate risk.

(ii) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The Company evaluates its exchange rate exposure arising from these transactions and enters into foreign exchange forward contracts to hedge forecasted cash flows denominated in foreign currency and mitigate such exposure.

The Company's exposure to foreign currency risk at the end of the reporting year expressed in INR, are as follows

	As at March 31, 2021		As at March 31, 2020	
	USD	SGD	USD	SGD
Financial assets				
Trade receivables	1,320,704	-	2,106,810	106,023
Financial liabilities				
Trade payables	-	-	965,083	-

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on Profit and Loss		Impact on Profit and Loss	
	Gain / (Loss) on Appreciation	Gain / (Loss) on Depreciation	Gain / (Loss) on Appreciation	Gain / (Loss) on Depreciation
1% appreciation / depreciation in Indian Rupees against following foreign currencies *:				
USD	13,207	(13,207)	11,417	(11,417)
SGD	-	-	1,060	(1,060)
	13,207	**(13,207)**	**12,478**	**(12,478)**

* Holding all other variables constant
USD: United States Dollar, SGD: Singapore Dollar

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(All amounts in Rs., unless stated otherwise)

27 Employee Benefits

A) Defined Contribution Plans

The Company makes contribution towards Provident Fund, Superannuation Fund and Pension Scheme to the defined contribution plans for eligible employees.

The Company has charged the following costs in Contribution to Provident and Other Funds in the Statement of Profit and Loss:-

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Employers' Contribution to Provident Fund	2,454,899	3,705,352
Employers' Contribution to Superannuation Fund	573,250	731,363
Employers' Contribution to Employees Pension Scheme	2,954,881	4,335,838
Employers' Contribution to Employee National Pension System	175,505	224,814
Total	**6,158,535**	**8,997,367**

The Company has charged the following costs in Contribution to Provident and Other Funds in the Statement of Profit and Loss for Key Management Personnel:

	Year ended March 31, 2021	Year ended March 31, 2020
Employers' Contribution to Provident Fund	250,752	251,088
Employers' Contribution to Superannuation Fund	278,583	274,527
Employers' Contribution to Employees Pension Scheme	30,000	30,000
Employers' Contribution to Employee National Pension System	144,990	138,450
Total	**704,325**	**694,065**

B) Defined Benefit Plans

1. Provident Fund

The Company makes contributions to the "NIIT LIMITED EMPLOYEES' PROVIDENT FUND TRUST" ("the Trust"), in respect of employees deputed from the Holding Company. The plan has been classified as a Defined Benefit plan in accordance with Ind AS-19 'Employeee Benefits'. During the year the Company contributed Rs. 2,454,899/- (Previous year Rs. 3,705,352/-) to the Trust. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate. The Company's obligation in this regard is actuarially determined and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government. Based on actuarial valuation carried out, there is no shortfall to be provided by the Company.

2. Gratuity Fund - Funded

Particulars	As at March 31, 2021	As at March 31, 2020
i) Change in Present value of Obligation:-		
Present value of obligation as at beginning of the year	12,371,000	12,568,000
Interest cost	747,411	903,000
Current service cost	2,262,000	2,119,000
Acquisition (credit) / cost	(313,000)	(25,000)
Benefits paid from plan assets	(1,724,000)	(230,000)
Actuarial (gain)/ loss - experience	(6,438,000)	(3,191,000)
Actuarial (gain)/ loss - financial assumptions	681,000	227,000
Present value of obligation as at the year end	**7,586,411**	**12,371,000**

	As at March 31, 2021	As at March 31, 2020
ii) Change in value of Plan Assets		
Fair value of Plan Assets as at the beginning of the year	1,112,701	1,231,729
Acquisition adjustment	(313,000)	(25,000)
Expected return on Plan Assets	65,000	83,000
Contributions	1,500,000	47,972
Benefits Paid	(1,724,000)	(230,000)
Return on plan assets (greater) / less than discount rate	(3,000)	5,000
Fair value of Plan Assets as at the end of the year	**637,701**	**1,112,701**

iii) Amount of Asset/ (Liability) recognised in the Balance Sheet:-	**Fair value of Plan Assets as at the end of the year**	**Present value of obligation as at the end of the year**	**Liability recognised in Balance Sheet**
As at March 31, 2021	637,701	7,586,411	(6,948,710)
As at March 31, 2020	1,112,701	12,371,000	(11,258,299)

iv) Gratuity Cost recognised in the Statement of Profit and Loss:-

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Current service cost	2,262,000	2,119,000
Interest cost	682,411	820,000
Expense recognised in the Statement of Profit and Loss	**2,944,411**	**2,939,000**

Estimated contributions for the year ended on March 31, 2022 is Rs. 6,948,710 (Previous year Rs. 11,258,299).

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(All amounts in Rs., unless stated otherwise)

v) Gratuity Cost recognised through Other Comprehensive Income:-

Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Actuarial loss - experience	(6,438,000)	(3,191,000)
Actuarial loss - financial assumptions	681,000	227,000
Return on plan assets (greater) / less than discount rate	3,000	(5,000)
Expense recognised through other comprehensive loss	**(5,754,000)**	**(2,969,000)**

vi) Assumptions used in accounting for gratuity plan:-

	As at March 31, 2021	**As at March 31, 2020**
Discount Rate (Per Annum)	6.25%	6.50%
Future Salary Increase	12% for FY 2021-22 & FY 2022-23 & 8% thereafter	2% for FY 2020-21, 8% thereafter
Expected Rate of return on plan assets	7.05%	7.85%

Estimates of future salary increase considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

vii) Investment details of Plan Assets:-

The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme. The details of investment maintained by Life Insurance Corporation are not available with the Company and have not been disclosed.

The expected return on plan assets is determined considering several applicable factors mainly the compensation of plan assets held, assessed risk of asset management, historical result of the return on plan assets.

viii) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on defined benefit obligation		
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
	March 31, 2021	**March 31, 2021**	**March 31, 2021**
Discount rate	0.50%	(380,000)	411,000
Salary growth rate	0.50%	400,000	(374,000)
Withdrawal rate	5.00%	(459,000)	472,000

	Impact on defined benefit obligation		
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
	March 31, 2020	**March 31, 2020**	**March 31, 2020**
Discount rate	0.50%	(599,000)	647,000
Salary growth rate	0.50%	638,000	(598,000)
Withdrawal rate	5.00%	(739,000)	782,000

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as and when calculating the defined benefit liability recognised in the balance sheet.

ix) The major categories of plan assets are as follows:

	March 31, 2021	**March 31, 2020**
Scheme of insurance - conventional products	100%	100%

Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are market volatility, changes in inflation, changes in interest rates, rising longevity, changing economic environment, regulatory changes etc. The Company ensures that the investment positions are managed within an asset and liability matching framework that has been developed to achieve investments which are in line with the obligations under the employee benefit plans. Within this framework, the Company's asset-liability matching objective is to match assets to the obligations by investing in securities to match the benefit payments as they fall due.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that failure of any single investment should not have a material impact on the overall level of assets.

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(All amounts in Rs., unless stated otherwise)

28 Loss Per Share

	Year ended March 31, 2021	Year ended March 31, 2020
Loss attributable to Equity Shareholders (A)	(161,244,762)	(266,394,405)
Weighted average number of Equity Shares outstanding during the year (Nos.) – (B)	115,564,072	69,064,072
Nominal Value of Equity Shares (Rs.)	10	10
Basic loss per Share (Rs.) (A/B)	(1.40)	(3.86)
Diluted loss per Share (Rs.) (A/B)	(1.40)	(3.86)

*As there are no dilutive securities at the year end, the basic and diluted earnings per share are same.

29 Related Party Transactions

A. Related party relationship where control exists:

Holding Company - NIIT Limited

B. Fellow Subsidiaries

1 NIIT Institute of Finance Banking and Insurance Training Limited
2 NIIT Institute of Process Excellence Limited (Under Voluntary Liquidation w.e.f. February 19, 2020)
3 NIIT Yuva Jyoti Limited (Under Voluntary Liquidation w.e.f. February 19, 2020)
4 NIIT USA Inc, USA
5 Stackroute Learning Inc, USA (subsidiary of entity at serial no. 4- incorporated on December 29, 2020)
6 NIIT Limited, UK
7 NIIT Malaysia Sdn. Bhd, Malaysia
8 NIIT West Africa Limited
9 NIIT GC Limited, Mauritius
10 NIIT (Ireland) Limited
11 NIIT Learning Solutions (Canada) Limited (subsidiary of entity at serial no. 10)
12 Eagle international Institute Inc. USA (subsidiary of entity at serial no.4)
13 Eagle Training Spain, S.L.U (subsidiary of entity at serial no. 12)
14 PT NIIT Indonesia, Indonesia (under liquidation)
15 NIIT China (Shanghai) Limited, Shanghai (subsidiary of entity at serial no. 9)
16 NIIT Wuxi Service Outsourcing Training School, China (Deregistered on June 24, 2020) (subsidiary of entity at serial no. 15)
17 Wuxi NIIT Information Technology Consulting Limited, China (entity closed on October 30, 2020) (subsidiary of entity at serial no. 15)
18 Su Zhou NIIT Information Technology Consulting Limited, China (subsidiary of entity at serial no. 17)
19 Changzhou NIIT Information Technology Consulting Limited, China (subsidiary of entity at serial no. 17)
20 Zhangjiagang NIIT Information Services Limited, China (Closed on August 12, 2019) (subsidiary of entity at serial no. 15)
21 Chengmai NIIT Information Technology Company Limited, China (Under process of closing) (subsidiary of entity at serial no. 15)
22 Chongqing An Dao Education Consulting Limited, China (subsidiary of entity at serial no. 15)
23 Chongqing NIIT Education Consulting Limited, China (Closed on January 20, 2021) (subsidiary of entity at serial no. 15)
24 NingXia NIIT Education Technology Company Limited, China (subsidiary of entity at serial no. 15)
25 Guizhou NIIT information technology consulting Co., Limited, China (subsidiary of entity at serial no. 15)
26 NIIT (Guizhou) Education Technology Co., Limited, China (subsidiary of entity at serial no. 15)

C. Other related parties with whom the Company has transacted

a) Key Management Personnel

1 Mr. Umesh Kumar Gola (Chief Financial Officer)
2 Ms. Leena Khokha (Manager)
3 Mr. Vijay K Thadani (Non Executive Director)
4 Mr. P Rajendran (Non Executive Director)
5 Mr. Sapnesh Kumar Lalla (Non Executive Director)
6 Mr. Amit Roy (Non Executive Director) (resigned w.e.f. March 31, 2021)
7 Mr. Anand Sudarshan (Non Executive Independent Director) (tenure completed on March 13, 2021)
8 Ms. Lata Vaidyanathan (Non Executive Independent Director)

b) Parties in which the Key Managerial Personnel are interested

1 NIIT Foundation (formerly known as NIIT Education Society)

D. Key Management Personnel compensation

	Year ended March 31, 2021	Year ended March 31, 2020
Short-term employee benefits	7,101,110	6,592,725
Post-employment benefits	2,680,649	1,011,875
Share based payments	1,499,812	445,800
Sitting Fees paid to Non Executive Directors	400,000	400,000
Total compensation	**11,681,571**	**8,450,400**

E. Terms and conditions

Transactions with related parties during the year were based on terms that would be available to third parties. All transactions were made on normal commercial terms and conditions and at market rates.

All outstanding balances are unsecured and are repayable in cash..

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29 Related Party Transactions (Contd.)

F. Details of significant transactions with the Related Parties carried out in ordinary course of business:-

(All amounts in Rs., unless stated otherwise)

Nature of Transactions	Holding Company	Parties in which Key Management Personnel of the Company are interested	Total
Sale of Goods- Revenue	140,890	2,085,563	2,226,453
	(836,888)	(2,415,987)	(3,252,875)
Sale of services- Revenue	28,407,489	-	28,407,489
	-	-	-
Sale of fixed assets	720,254	-	720,254
	-	-	-
Recovery of Expenses From	-	-	-
	(244,444)	-	(244,444)
Purchase of Services-Professional Technical & Outsourcing expenses and others	1,732,131	-	1,732,131
	-	-	-
Management Cost Recovery- Other Expenses	4,670,453	-	4,670,453
	(8,049,546)	-	(8,049,546)
Corporate Guarantee Charges- Other Borrowing Costs	150,684	-	150,684
	(1,290,984)	-	(1,290,984)
Recovery of Employee Benefits expenses by	273,717	-	273,717
	(216,970)	-	(216,970)
Recovery of Expenses By	8,406,381	-	8,406,381
	(14,449,048)	-	(14,449,048)
Interest Expense- Finance Cost	17,718,219	-	17,718,219
	(32,214,972)	-	(32,214,972)
Issuance of Equity share capital	465,000,000	-	465,000,000
	-	-	-
Loan Taken	50,000,000	-	50,000,000
	(50,000,000)	-	(50,000,000)
Loan Repaid	350,000,000	-	350,000,000
	-	-	-

G. Details of outstanding balances with related parties:

Particulars	Holding Company	Parties in which Key Management Personnel are interested	Key Management Personnel	Total
i) Trade Payables				
March 31, 2021	4,263,955	-	-	4,263,955
March 31, 2020	(48,845,089)	-	-	(48,845,089)
ii) Trade Receivables				
March 31, 2021	9,649,534	1,209,913	-	10,859,447
March 31, 2020	-	(440,236)	-	(440,236)
iii) Other Payables				
March 31, 2021	-	-	153,206	153,206
March 31, 2020	(3,615,077)	-	(625,684)	(4,240,761)
iv) Loan payables				
March 31, 2021	-	-	-	-
March 31, 2020	(300,000,000)	-	-	(300,000,000)

Previous year figures are given in parenthesis.

H. The Company has availed corporate guarantee issued by Holding Company of Rs. Nil (Previous year Rs. 50,000,000) for working capital limits.

~~I. The Holding company has committed operational and financial supports to the Company.~~

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30 Contingent Liabilities and Commitments

A. Contingent Liabilities

a) Claims against the Company not acknowledged as debts:-

	As at	
	March 31, 2021	**March 31, 2020**
Customers	354,000	-
Total	**354,000**	**-**

b) Guarantees

i. Bank Guarantees issued by Bankers outstanding at the end of the year Rs. 230,040 (Previous year Rs. 230,040).

c) Other money for which the Company is contingently liable

i) Corporate Guarantee issued by NIIT Limited to Banks on behalf of the Company for Rs. Nil (Previous year Rs. 50,000,000).

B. Capital and other commitments - Nil (Previous year Nil)

31 Segment Information

The Company is engaged in providing Education & Training Services in a single geography. Based on "Management Approach" , as defined in Ind AS 108 –Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources based on the analysis of performance of the Company as a whole. Its operations are, therefore, considered to constitute a single segment in the context of Ind AS 108 – Operating Segments.

The Company operates in a single geography (India) and accordingly, secondary segment reporting is not applicable.

32 Disclosure under Ind AS - 115 (Revenue from contracts with customers)

	Year ended	
a. Disaggregated revenue information	**March 31, 2021**	**March 31, 2020**
Type of Services		
Sale of Courseware and Training Material	42,678,072	100,835,472
Sale of Hardware & Accessories	6,802,632	32,855,923
Sale of Services	80,764,667	111,786,817
	130,245,371	**245,478,212**
Timing of Revenue Recognition		
Goods (Courseware, Training Material, Hardware & Accessories) transferred at a point in time	49,480,704	133,691,395
Services transferred over time (Training Services)	80,764,667	111,786,817
	130,245,371	**245,478,212**
b. Trade receivables and Contract Balances		
Trade Receivables [Refer note 7(ii)]	59,282,874	147,249,368
Contract Assets [Refer note 7(iii))	1,082,201	1,742,185
Contract Liabilities [Refer note 16]	(13,295,804)	(27,054,115)
	47,069,271	**121,937,438**

Trade receivables are non-interest bearing and are generally on terms of 60 - 90 days. A sum of Rs. 27,572,620 (Previous year Rs.53,821,898) is recognised as provision for expected credit losses on trade receivables during the year.

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.
A receivables is right to consideration that is unconditional upon passage of time.
Revenue for ongoing services at the reporting date yet to be invoiced is recorded as unbilled revenue.

c. Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

	Year ended	
	March 31, 2021	**March 31, 2020**
Revenue as per contracted price	126,942,064	249,682,879
Adjustments		
(Reversal of sales return)/ Sales Return (net)	(3,303,307)	4,197,107
Discount	-	7,560
	130,245,371	**245,478,212**

d. Performance obligation and remaining performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. As on March 31, 2021, there were no remaining performance obligation as the same is satisfied upon delivery of goods/services.

Mindchampion Learning Systems Ltd. Gurugram

S.R. Batliboi & Associates LLP Gurugram

(All amounts in Rs., unless stated otherwise)

33 Capital Management

The primary objective of the management of the Company's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows. To maximise the shareholder value the management also monitors the return on equity.

There is no borrowings outstanding as at March 31, 2021.

Particulars	**March 31, 2021**	**March 31, 2020**
Borrowings [Refer note 14(i)]	-	300,000,000
Total Debt (A)	-	**300,000,000**
Equity Share Capital (Refer note 12)	1,155,640,720	690,640,720
Other Equity (Refer note 13)	(1,127,937,027)	(968,846,265)
Total Equity (B)	**27,703,693**	**(278,205,545)**
Profit after Tax (C)	**(161,244,762)**	**(266,394,405)**
Debt equity ratio (A/B)	-	**(1.08)**
Return on equity Ratio (%) (C/B)	**(582.03)%**	**(95.75)%**

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MINDCHAMPION LEARNING SYSTEMS LIMITED
CIN: U72200DL2001PLC111674
Notes to the Financial Statements for the year ended March 31, 2021

34 COVID 19 pandemic has severely impacted businesses around the world and is causing a slowdown of economic activity. In preparation of these financial statements, the Company has performed sensitivity analysis on the assumptions used and considered all the possible impacts of COVID-19 on the carrying value of its assets. Based on current estimates the Company expects that the carrying value of these assets will be recovered. The Company has carried out this assessment based on available internal and external sources of information up to the date of approval of these financial statements.
The Company will continue to monitor any material changes to the operations based on future economic conditions owing to the nature and duration of COVID-19. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

35 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

36 The net worth of the Company is substantially eroded as at March 31, 2021. The holding company NIIT Limited has committed operational and financial support to the Company for it to be able to meet future liabilities. Accordingly Company's Financial Statements have been prepared on an going concern basis.

37 Previous year figures have been regrouped / reclassified to conform the current year classification.

Signatures to Notes '1' to '37' of these Financial Statements.

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No: 101049W/E300004

S.R. Batliboi & Associates LLP * Gurugram

Sanjay Bachchani
Partner
Membership No. 400419

Place: Gurugram
Date: June 03, 2021

For and on behalf of the Board of Directors of
Mindchampion Learning Systems Limited

P Rajendran
Director
DIN - 00042531

Vijay K Thadani
Director
DIN - 00042527

Umesh Kumar Gola
Chief Financial Officer

Siddharth Nath
Company Secretary

Place: Gurugram
Date: June 03, 2021

Mindchampion Learning Systems Ltd. Gurugram