

**NIIT**

**NATIONAL COMPANY LAW TRIBUNAL CONVENED  
MEETING OF THE UNSECURED CREDITORS –  
NOVEMBER 15, 2022**

**NIIT Limited**

Registered Office:  
Plot No.85, Sector 32,  
Institutional Area,  
Gurugram-122001 (Haryana)

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
CHANDIGARH BENCH**

**CA (CAA) No. 37/Chd/Hry/2022**

IN THE MATTER OF THE COMPANIES ACT, 2013

**AND**

**IN THE MATTER OF:**

Application under Sections 230 to 232 of the Companies Act, 2013.

AND

**IN THE MATTER OF:**

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 applicable provisions of the Companies Act, 2013.

**AND**

**NIIT Limited**, (CIN: L74899DL1981PLC015865, PAN: AAACN0085D), a public limited company incorporated under the Companies Act, 1956, having its Registered Office at Plot No. 85, Sector 32, Institutional Area, Gurugram-122001 (Haryana).

**...Transferor Company / Applicant Company 1**

**NIIT Learning Systems Limited**, (CIN: U72200HR2001PLC099478, PAN: AACCM9500C), a company incorporated under the Companies Act, 1956, having its Registered Office at Plot No. 85, Sector 32, Institutional Area, Gurugram-122001 (Haryana).

**...Transferee Company / Applicant Company 2**

**MEETING SCHEDULE**

<b>Day</b>	:	Tuesday
<b>Date</b>	:	November 15, 2022
<b>Time</b>	:	02:00 P.M. (IST)
<b>Venue</b>	:	Through video conferencing ("VC") / other audio visual means ("OAVM"),

**REMOTE E-VOTING PERIOD**

Commencement of Voting	Friday, November 11, 2022 at 09:00 A.M. (IST)
End of Voting	Monday, November 14, 2022 at 05:00 P.M. (IST)

**I N D E X**

<b>SL. NO.</b>	<b>PARTICULARS</b>	<b>PAGE NOS.</b>
1.	Notice of NCLT convened meeting of the Unsecured Creditors of NIIT Limited, Transferor Company under the provisions of Sections 230 to 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016	1-10
2.	Explanatory Statement under Sections 230 and 232 read with Section 102 of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016	11-36
3.	Composite Scheme of Arrangement between NIIT Limited and NIIT Learning Systems Limited and their respective Shareholders and Creditors enclosed as <b>Annexure 1</b>	37-74
4.	Latest Audited Annual financial statements of the Transferor Company for the financial year ended on March 31, 2022 enclosed as <b>Annexure 2</b>	75-213
5.	Latest Consolidated and Standalone unaudited financial results (limited reviewed) of the Transferor Company for the quarter ended June 30, 2022 enclosed as <b>Annexure 3</b>	214-221
6.	Latest Audited Annual financial statements of the Transferee Company for the financial year ended on March 31, 2022 enclosed as <b>Annexure 4</b>	222-265
7.	Latest unaudited financial accounts of the Transferee Company for quarter ended June 30, 2022 enclosed as <b>Annexure 5</b>	266-279
8.	Copy of the Valuation Report enclosed as <b>Annexure 6</b>	280-295
9.	Copy of the Fairness Opinion enclosed as <b>Annexure 7</b>	296-306
10.	Copy of report adopted by the Board of Directors of the Transferor Company at the meeting held on January 28, 2022 enclosed as <b>Annexure 8</b>	307-312
11.	Copy of the report adopted by the Board of Directors of the Transferee Company at the meeting held on January 28, 2022 enclosed as <b>Annexure 9</b>	313-318
12.	Copy of the observation letter issued by BSE Limited (BSE) to the Transferor Company enclosed as <b>Annexure 10</b>	319-321
13.	Copy of the observation letter issued by National Stock Exchange of India Limited (NSE) to the Transferor Company enclosed as <b>Annexure 11</b>	322-324
14.	Copy of the Complaint Reports as submitted by the Transferor Company with the NSE and BSE enclosed as <b>Annexure 12</b>	325-330
15.	Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the Transferor Company, its promoters and director enclosed as <b>Annexure 13</b>	331-350
16.	Information pertaining to the Transferee Company involved in the Scheme in the format prescribed for abridged prospectus as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 enclosed as <b>Annexure 14</b>	351-360
17.	Certificate on the accuracy and adequacy of information in abridged prospectus enclosed as <b>Annexure 15</b>	361-362

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**NOTICE CONVENING MEETING OF THE UNSECURED CREDITORS OF NIIT LIMITED**

To,  
All the Unsecured Creditors of  
**NIIT Limited**

- 1. NOTICE** is hereby given that pursuant to the Order dated August 29, 2022 read with Order dated September 8, 2022 in the abovementioned Company Application, passed by the Hon'ble National Company Law Tribunal, Chandigarh Bench ("**Tribunal**" / "**NCLT**") ("**Tribunal Orders**"), a meeting of the Unsecured Creditors of NIIT Limited, will be held for the purpose of their considering, and if thought fit, approving, with or without modification(s), the proposed Composite Scheme of Arrangement between NIIT Limited ("**Transferor Company/ Applicant Company 1**" / "**the Company**") and NIIT Learning Systems Limited ("**Transferee Company**" / "**Applicant Company 2**") and their respective Shareholders and Creditors ("**Scheme**") on Tuesday, November 15, 2022 at 2:00 P.M. (IST), in terms of the Tribunal Orders.
- Pursuant to the said Tribunal Orders and as directed therein, the meeting of the Unsecured Creditors of the Transferor Company ("**Meeting**") will be held through video conferencing ("**VC**") / other audio visual means ("**OAVM**"), to consider, and if thought fit, pass, with or without modification(s), the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230(1) and (6) read with Section 232(1) of the Act.

*"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other rules, circulars and notifications made thereunder (including any statutory modification or re-enactment thereof, for the time being in force) as may be applicable, relevant provisions of the Income Tax Act, 1961, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Securities and Exchange Board of India Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/ 2021/0000000665 dated November 23, 2021 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws, rules, circulars and regulations, the observation letter/No-objection letter issued by the BSE Limited and the National Stock Exchange of India Limited dated May 30, 2022 and May 31, 2022, respectively, and subject to the relevant provisions of the memorandum of association and articles of association of NIIT Limited and subject to the approval of the Hon'ble National Company Law Tribunal, Chandigarh Bench ("**NCLT**") and subject to such other approvals, permissions and sanctions of regulatory and other authorities or tribunals, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall be deemed to mean and include one or more Committee(s) constituted /to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Composite Scheme of Arrangement between NIIT*

Limited (“**Transferor Company**”/ “**the Company**”) and NIIT Learning Systems Limited (formerly known as Mindchampion Learning Systems Limited), a wholly owned subsidiary of the Company (“**Transferee Company**”) and their respective Shareholders and Creditors (“**Scheme**”) the draft of which was circulated along with this Notice, be and is hereby approved.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution and for removal of any difficulties or doubts, the Board, be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem desirable, necessary, expedient, usual or proper, and to settle any questions or difficulties or doubts that may arise, including passing of such accounting entries and /or making such adjustments in the books of accounts, transfer/vesting of such assets and liabilities as considered necessary to give effect to the above resolution, including issuance and listing of new equity shares under the scheme, settling of any questions or difficulties arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of the Scheme and if necessary, to waive any of those, and to make modifications, amendments, revisions, edits and all other actions as may be required to finalise the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect or to carry out such modifications/directions as may be required and/or imposed and/or permitted by the NCLT while sanctioning the Scheme, or by any governmental authorities, to do and perform and to authorize the performance of all such acts and deeds which are necessary or advisable for the implementation of the Scheme and upon the sanction of the Scheme by, amongst others, the NCLT and/or SEBI and/or any other regulatory/Government authorities, to implement and to make the Scheme effective, without any further approval of the Board or to approve withdrawal (and where applicable, re-filing) of the Scheme at any stage for any reason including in case any changes and/or modifications are suggested/ required to be made in the Scheme or any condition suggested, required or imposed, whether by any shareholder and/or creditor of the Company, the SEBI, the NCLT, and/or any other authority, are in its view not acceptable to the Company, and/or if the Scheme cannot be implemented otherwise, and to do all such acts, deeds and things as it may deem necessary and desirable in connection therewith and incidental thereto, to approve and authorize execution of any agreements, deeds, documents, declarations, affidavits, writings, etc. (including any alterations or modifications in the documents executed or to be executed), whether or not under the Common Seal of the Company, as may be required from time to time in connection with the Scheme.”

**3. TAKE FURTHER NOTICE** that

- a. Unsecured Creditors shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes (a) through e-Voting system available at the Meeting to be held virtually or (b) by remote electronic voting (“**remote e-Voting**”) during the period as stated below:

REMOTE E-VOTING PERIOD	
Commencement of Voting	Friday, November 11, 2022 at 09:00 A.M. (IST)
End of Voting	Monday, November 14, 2022 at 05:00 P.M. (IST)

- b. Notice has been sent to the Unsecured Creditors, whose names appear in the records of the Transferor Company as on the cut-off date, i.e., April 30, 2022, being the cut-off date for the purpose of dispatch of Notice. Also said Unsecured Creditors only shall be entitled to exercise the voting rights on the resolution proposed in the Notice and attend the Meeting. The voting rights of Unsecured Creditors shall be in proportion to the value of their outstanding dues/claim as per the records of the Company as on the cut-off date.
- c. a copy of the Scheme, statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**CAA Rules**") along with all annexures to such statement are enclosed herewith. A copy of this Notice and the accompanying documents are also placed on the website of the Transferor Company viz. [www.niit.com](http://www.niit.com); the website of National Securities Depository Limited at [www.evoting.nsdl.com](http://www.evoting.nsdl.com), being the agency appointed by the Company to provide the e-Voting and other facilities for convening of the Meeting through VC/ OAVM; and the website of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.
- d. the Tribunal has appointed Mr. Anand Chhibbar, Senior Advocate, as the Chairperson of the Meeting, Mr. Vaibhav Sharma, Advocate as the Alternate Chairperson for the Meeting and Mr. Pawan Kumar Goyal, Practising Company Secretary, (FCS 2338) as the Scrutinizer for the Meeting.
- e. the above-mentioned Scheme, if approved at the meeting, will be subject to the subsequent sanction of the Tribunal and such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.

For **NIIT Limited**

Sd/-

Deepak Bansal

Company Secretary

Membership No. ACS 11579

Place : Gurugram

Date : October 8, 2022

Registered Office:

Plot No. 85, Sector 32,

Institutional Area,

Gurugram-122001 (Haryana)

CIN: L74899DL1981PLC015865

Website: [www.niit.com](http://www.niit.com)

E-mail: [investors@niit.com](mailto:investors@niit.com)

Tel: +91 124 429 3000

Fax: +91 124 429 3333

**NOTES:**

1. Pursuant to the directions of the Tribunal *vide* the Tribunal Orders, the Meeting of the Unsecured Creditors of the Transferor Company is being conducted through VC / OAVM facility to transact the business set out in the Notice convening this Meeting. As such, physical attendance of Unsecured Creditors has been dispensed with. The deemed venue for the Meeting shall be the Registered Office of the Company.
2. Since this Meeting is being held through VC / OAVM, the facility for appointment of proxies by the Unsecured Creditors will not be available for the Meeting and hence the Proxy Form and Attendance Slip are not annexed hereto. Also, no route map of the venue of the Meeting is annexed hereto.
3. The statement pursuant to Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules in respect of the business set out in the Notice of the Meeting is annexed hereto.
4. In terms of the directions contained in the Tribunal Orders, the Notice convening the Meeting is being published by the Company through advertisement in the 'Financial Express' in English language, and in the 'Jansatta' in Hindi language, Delhi NCR Edition indicating the day, date, place and time of the Meeting.
5. Unsecured Creditors attending the Meeting through VC / OAVM shall be reckoned for the purpose of quorum. In terms of the Tribunal Orders, the quorum for the meeting of Unsecured Creditors is 318 in number or 40% in value of the Unsecured Creditors attending the meeting. The Tribunal Orders also specified that in case the quorum is not present at the commencement of the meeting, the meeting will be adjourned by 30 minutes and thereafter the Unsecured Creditors present shall be deemed to constitute the quorum.
6. The Notice of the Meeting and the accompanying documents mentioned in the Index are being sent through electronic mode to those Unsecured Creditors whose email addresses are registered with the Transferor Company and by registered post / courier to the Unsecured Creditors whose email addresses are not registered with the Transferor Company.

The Unsecured Creditors may note that the aforesaid documents are also available on the website of the Transferor Company and can be accessed / downloaded using the given link: <https://www.niit.com/india/training/investors/Pages/Scheme-of-Arrangement-2022.aspx> and on the website of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.

7. If so desired, Unsecured Creditors may obtain a physical copy of the Notice and the accompanying documents, i.e., Scheme and the Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules etc., free of charge within 1



(one) working day from the office of the Company on all working days between 10:00 A.M. to 4:00 P.M. upon request. A written request in this regard, along with details of your quantum of Unsecured outstanding dues/claim in the Company, may be addressed to the Company Secretary by sending an email at [investors@niit.com](mailto:investors@niit.com) or by sending request at the Registered Office of the Company.

8. Institutional/ Corporate Unsecured Creditors, bodies corporate etc. (i.e. other than individuals, HUF, NRI etc.) are required to send legible scanned certified true copy (PDF/JPG Format) of the relevant Board or governing body resolution / Power of Attorney / Authority letter etc. of the representative(s) who are authorized to attend the meeting through VC/OAVM on its behalf and to vote through remote e-Voting or to vote at the meeting. The said resolution/ authorization shall be sent to the Scrutinizer by e-mail to [pkgoyal2003@gmail.com](mailto:pkgoyal2003@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and to the Company at [investors@niit.com](mailto:investors@niit.com) not later than 48 (forty eight) hours before the scheduled time of the commencement of the meeting of the Meeting. It is also requested to upload the same in the e-Voting module in their login.

**9. PROCEDURE FOR REMOTE E-VOTING, VOTING AT THE MEETING AND JOINING THE MEETING THROUGH VC / OAVM:**

- a) Pursuant to the directions of the Tribunal given under the Tribunal Orders and the applicable provisions of the Act read with rules made thereunder and applicable regulations of the SEBI LODR, the Transferor Company is providing to its Unsecured Creditors facility to exercise their right to vote on the resolution proposed to be passed (i) through remote e-Voting and (ii) at the Meeting by electronic means.
- b) The Transferor Company has appointed NSDL to provide facility for voting through remote e-Voting, for participation in the Meeting through VC / OAVM facility and e-Voting at the Meeting.
- c) Unsecured Creditors may access the same by following the steps mentioned below for Access to NSDL e-Voting system. After successful login, you can see link of "VC/ OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/ OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the Unsecured Creditors who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- d) For convenience of the Unsecured Creditors and proper conduct of Meeting, Unsecured Creditors can login and join 30 (thirty) minutes before the time scheduled for the Meeting. Unsecured Creditors can also login and join anytime throughout the proceedings of Meeting.
- e) Unsecured Creditors are encouraged to join the Meeting through Laptops for better experience. Further Unsecured Creditors desirous of speaking at Meeting, will be required to use Camera and use Internet with a good speed to avoid any disturbance during the meeting.

- f) Please note that Unsecured Creditors connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

g) **THE INSTRUCTIONS FOR UNSECURED CREDITORS FOR REMOTE E-VOTING ARE AS UNDER:**

The remote e-Voting period shall commence on Friday, November 11, 2022 (9:00 A.M.) (IST) and ends on Monday, November 14, 2022 (5:00 P.M.) (IST)

- a) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- b) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section.
- c) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
- d) Your Login id and password details casting your vote electronically and for attending the Meeting through VC/ OAVM are attached in the pdf file enclosed herewith. Please note that the password to open the pdf file is the unique id mentioned above.
- e) For the first time the system will ask to reset your password.
- f) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- g) Now, you will have to click on "Login" button.
- h) After you click on the "Login" button, Home page of e-Voting will open.
- i) You will be able to see the EVEN no. of the company.
- j) Click on "EVEN" of company to cast your vote.
- k) Now you are ready for e-Voting as the Voting page opens.
- l) Cast your vote by selecting appropriate options i.e. assent or dissent, and click on "Submit" and also "Confirm" when prompted.
- m) Upon confirmation, the message "Vote cast successfully" will be displayed.
- n) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

- o) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- p) If you face any problems/experience any difficulty or If you forgot your password please feel free to contact toll free number 1800 1020 990 /1800 224 430 or contact on email id [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**h) THE INSTRUCTIONS FOR UNSECURED CREDITORS FOR E-VOTING ON THE DAY OF THE MEETING ARE AS UNDER:**

1. The procedure for e-Voting on the day of the Unsecured Creditor Meeting is same as the instructions mentioned above for remote e-Voting.
2. Only those Unsecured Creditors, who will be present in the meeting through VC / OAVM facility and have not casted their vote on the Resolution through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the Unsecured Creditors Meeting.
3. Unsecured Creditors who have cast their votes by remote e-Voting may also attend the Meeting but shall not be entitled to cast their votes again at the Meeting. Once the vote on the resolution is cast by Unsecured Creditors, Unsecured Creditors will not be allowed to change it subsequently or cast the vote again.
4. Unsecured Creditors can opt for only single mode of voting i.e., through remote e-Voting or e-Voting at the Meeting. If Unsecured Creditors casts vote(s) by both modes, then voting done through remote e-Voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID".
5. Unsecured Creditors who would like to express their views / ask questions during the meeting may register themselves as a speaker till Tuesday, November 8, 2022, by sending request mentioning their name, e-mail ID, mobile number to [investors@niit.com](mailto:investors@niit.com). Unsecured Creditors who have registered themselves as speaker will only be allowed to express their views/ ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the meeting. The Unsecured Creditors who do not wish to speak during the meeting but have queries may send their queries to [investors@niit.com](mailto:investors@niit.com) mentioning their name, e-mail ID, mobile number. The Company will reply to these queries suitably by email.

**i) INSTRUCTIONS FOR UNSECURED CREDITORS FOR ATTENDING THE MEETING THROUGH VC/OAVM ARE AS UNDER:**

Unsecured Creditors will be provided with a facility to attend the Meeting through VC/ OAVM through the NSDL e-Voting system. Unsecured Creditors may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-Voting

credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed.

- j) Unsecured Creditors are requested to note the following contact details for addressing e-Voting related grievances:

Ms. Sarita Mote, Assistant Manager  
National Securities Depository Limited  
4th Floor, 'A' Wing, Trade World,  
Kamala Mills Compound  
Senapati Bapat Marg,  
Lower Parel, Mumbai-400 013  
Toll-free No.: 18001020990/ 1800224430  
E-mail: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

- k) Pursuant to the directions of the Tribunal, Mr. Pawan Kumar Goyal, Practising Company Secretary, (FCS 2338), shall act as Scrutinizer to scrutinize the process of remote e-Voting and e-Voting at the Meeting in a fair and transparent manner.

- l) E-Voting Results

- The Scrutinizer shall, after the conclusion of e-Voting at the Meeting, unblock the votes cast through remote e-Voting and votes cast during the Meeting and will submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairperson of the Meeting. The result of e-Voting will be declared by the Chairperson of the Meeting within 2 working days from the conclusion of the Meeting upon receipt of the Scrutinizer's Report. The results declared, along with the Scrutinizer's Report, shall be displayed on the notice board of registered office of the Company and hosted on the Company's website at [www.niit.com](http://www.niit.com) and on the website of NSDL. The result will simultaneously be communicated to the stock exchanges.
- Subject to receipt of requisite majority of votes (as per Section 230 to 232 of the Act, and Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as amended, issued by the SEBI), the Resolution proposed in the Notice shall be deemed to have been passed on the date of the Meeting i.e. November 15, 2022.

- m) Other instructions:

Please note that:

- Unsecured Creditors are requested to carefully read all the Notes set out herein and in particular, instructions for joining the Meeting, manner of casting vote through remote e-Voting or e-Voting at the Meeting.

- Login to e-Voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.
- It is strongly recommended not to share your password/OTP with any other person and take utmost care to keep it confidential.

#### **10. PROCEDURE FOR INSPECTION OF DOCUMENTS:**

Documents for inspection as referred to the Notice will be available electronically/ physically for inspection on all working days between 10:00 A.M. to 4:00 PM within 1 (one) working day upon request, without any fee by the Unsecured Creditors from the date of circulation of this Notice up to the date of Meeting. Unsecured Creditors seeking to inspect such documents can do so on the website of the Transferor Company at: <https://www.niit.com/india/training/investors/Pages/Scheme-of-Arrangement-2022.aspx>

Unsecured Creditors seeking any information with regard to the matter proposed to be considered at the Meeting, are requested to write to the Transferor Company at least seven days before the date of the Meeting through email on [investors@niit.com](mailto:investors@niit.com) or by sending written request at the Registered Office of the Company. The same will be replied by the Transferor Company, suitably.

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**...Applicant Company 2 /Transferee Company**

**EXPLANATORY STATEMENT UNDER SECTIONS 230 AND 232 READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 (“ACT”) AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 (“CAA RULES”) TO THE NOTICE OF THE MEETING OF EQUITY SHAREHOLDERS, UNSECURED AND SECURED CREDITORS, OF NIIT LIMITED AND UNSECURED CREDITORS OF NIIT LEARNING SYSTEMS LIMITED, CONVENED PURSUANT TO ORDER OF THE HON’BLE NATIONAL COMPANY LAW TRIBUNAL, CHANDIGARH BENCH (“TRIBUNAL/NCLT”) DATED AUGUST 29, 2022 READ WITH ORDER DATED SEPTEMBER 08, 2022 (“ORDERS”)**

This is a statement accompanying the notice convening the meeting of Equity Shareholders, Unsecured Creditors, Secured Creditors of NIIT Limited and Unsecured Creditors of NIIT Learning Systems Limited, for the purpose of their consideration and if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement between NIIT Limited (“**Transferor Company**”) and NIIT Learning Systems Limited (“**Transferee Company**”) and their respective shareholders and creditors (“**Scheme**”) appended herewith as **Annexure – 1**. The Scheme provides for *inter alia*, (i) the reduction of the existing paid up share capital and the securities premium against the accumulated losses of the Transferee Company, with the approval of the NCLT in terms of Section 66 of the Act as elaborated in Part III of the Scheme; and (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 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.

Capital terms not defined herein and used in the notice and this statement shall have the same meaning as ascribed to them in the Scheme.

## I. Background of the Companies

### 1. Particulars of the Transferor Company

- (a) NIIT Limited ("**Transferor Company**") having Corporate Identity Number (CIN) L74899DL1981PLC015865, was initially incorporated in the State of Punjab as a private company under the Companies Act, 1956 on December 2, 1981 under the name of Pace Education Private Limited vide Certificate of Incorporation issued by the Registrar of Companies, Punjab, H.P. and Chandigarh. The registered office of the Transferor Company was changed from the State of Punjab to New Delhi vide Certificate of Registration dated June 4, 1983 issued by the Assistant Registrar of Companies, Delhi and Haryana. The status of the Transferor Company was changed to a public limited company on October 27, 1988. The name of Transferor Company was changed to its present name vide fresh certificate of incorporation dated November 16, 1990 issued by the Registrar of Companies, Delhi and Haryana. The Transferor Company had its registered office at 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi, 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 AAACN0085D. The email address of the Transferor Company is [investors@niit.com](mailto:investors@niit.com) and its website is [www.niit.com](http://www.niit.com). The equity shares of the Transferor Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE").

During the last five years, there has been no change in the name of the Transferor Company.

- (b) The main objects of the Transferor Company, as set out in its Memorandum of Association, have been reproduced below :

- "1) To carry on the business of rendering management services like staff and management recruitment, skill development, training and placements, technical analysis of data, electronic data processing and to establish and render all consultancy and other professional services of professional and technical nature.*
- 2) To run and conduct bureau for computer services and in particular to develop, design, programme, conduct feasibility studies and also to acquire and agency for computers, their repair, maintenance and installation.*
- 3) To print, publish, distribute, import, export, sell, buy or otherwise deal in research reports, newsletters, books, pamphlets and other related publications relating to computers and electronics in general.*
- 4) To carry on the business of providing and supply of end-to-end Information Technology Solutions, including turnkey solutions, including systems integration of software, computers, peripherals, networking and communication components, cabling, power supply equipment, appropriate fixtures, metering and monitoring devices, conventional and broad-band wireless, wireline and optical communications equipment and to undertake all other related activities.*
- 5) 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."*

During the last five years, there has been no change in the objects clause of the Transferor Company.

- (c) The Transferor Company is a leading global talent development corporation that is engaged in building skilled human capital and enhancing workforce talent worldwide. The Transferor Company which helped the nascent IT industry overcome its human resource challenges, today ranks among the world's leading training companies. With a footprint in over 30 countries, the Transferor Company offers training and development solutions to enterprises and individuals through its two businesses– Corporate Learning Group ("**CLG**") and Skills & Careers Group ("**SNCR**"). A brief on the activities being carried out by the two businesses is provided hereunder:

- (i) CLG: This business 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.

- (ii) **SNC:** This business offers a diverse range of training programs, certifications and solutions to career seekers and working professionals. Its offerings include software and product engineering, data sciences & analytics, cloud computing, cybersecurity, banking, insurance & finance, digital marketing, content design, UI/UX, project/product/program management, sales & service excellence, professional life skills, business process excellence, and multi-sectoral vocational & professional skills. SNC offers these programs predominantly in India and emerging economies. The programs are delivered through robust digital and hybrid learning models which connect corporate and individual learners seamlessly. With its comprehensive set of offerings, SNC helps in building multi-skilled full stack professionals at scale.
- (d) The share capital of the Transferor Company on January 28, 2022 i.e. date of approval of the Scheme by the Board of Directors of the Transferor Company was as follows:

Particulars	Amount in INR
<b>Authorized Capital</b>	
41,10,00,000 equity shares of INR 2/- each	82,20,00,000
25,00,000 redeemable preference shares of INR 100/- each	25,00,00,000
35,00,00,000, 8.5% cumulative redeemable preference shares of INR 1/- each	35,00,00,000
<b>Total</b>	1,42,20,00,000
<b>Issued share capital</b>	
13,37,45,381* equity shares of INR 2/- each	26,74,90,762
<b>Subscribed and paid-up share capital</b>	
13,37,39,381 equity shares of INR 2/- each	26,74,78,762

*\*includes 6000 equity shares forfeited amounting to INR 12,000*

Further, since January 28, 2022, the Transferor Company has issued 7,07,145 equity shares of INR 2/- each which were allotted against stock options exercised by employees of the Transferor Company under the Existing ESOP Scheme. Pursuant to such ESOP allotment, the share capital structure of the Transferor Company as on the date of this notice is as follows:

Particulars	Amount in INR
<b>Authorized Capital</b>	
41,10,00,000 equity shares of INR 2/- each	82,20,00,000
25,00,000 redeemable preference shares of INR 100/- each	25,00,00,000
35,00,00,000, 8.5% cumulative redeemable preference shares of INR 1/- each	35,00,00,000
<b>Total</b>	1,42,20,00,000
<b>Issued share capital</b>	
13,44,52,526* equity shares of INR 2/- each	26,89,05,052
<b>Subscribed and paid-up share capital</b>	
13,44,46,526 equity shares of INR 2/- each	26,88,93,052

*\*includes 6000 equity shares forfeited amounting to INR12,000*



As on the date of this notice, the Transferor Company has 96,43,939/- outstanding stock options, the exercise of which will result in an increase in the issued, subscribed and paid-up share capital of the Transferor Company.

The latest audited annual financial statements of the Transferor Company for the financial year ended on March 31, 2022 are attached hereto as **Annexure 2** and consolidated and standalone unaudited financial results (limited reviewed) of the Transferor Company for the quarter ended June 30, 2022 are attached hereto as **Annexure 3**.

- (e) The details of Directors and Promoters of the Transferor Company (as on the date of the notice) along with their addresses are mentioned herein below:

- (i) Directors

S. No.	Name	Date of Appointment	Age	Designation	Address
1	Mr. Rajendra Singh Pawar	02-12-1981	71	Non-Executive Chairman	N-3, Panchshila Park, New Delhi 110017
2	Mr. Vijay Kumar Thadani	02-12-1981	71	Vice-Chairman & Managing Director	1012 B, The Magnolias, DLF Golf Links, Near Park, DLF City-5, Gurugram, Haryana 122009
3	Mr. Parappil Rajendran	01-05-1990	69	Joint Managing Director	103, Anand Lok, New Delhi-110049
4	Mr. Sapnesh Kumar Lalla	05-08-2021	56	Executive Director & Chief Executive Officer	ES 187, E Space, Nirvana Country, Gurugram-122018
5	Mr. Anand Sudarshan	11-10-2013	62	Independent Director	G-15, Epsilon, Yemalur Main Road, Bangalore, Karnataka-560037
6	Mr. Ravinder Singh	29-03-2019	71	Independent Director	H. No. 12, 1 <sup>st</sup> Floor, NRI Colony, Mandakni Enclave, New Delhi-110019
7	Ms. Geeta Mathur	01-04-2014	55	Independent Director	B-1/8, Vasant Vihar, New Delhi-110057
8	Ms. Avani Vishal Davda	05-06-2021	43	Independent Director	B-82, Heera Panna, B.D. Road, Haji Ali, Mumbai-400026
9	Ms. Sangita Singh	05-06-2021	53	Independent Director	255, Prestige Ozone, Whitefield Main Road, Bangalore-560066
10	Mr. Ravindra Babu Garikipati	11-11-2021	57	Independent Director	88-B, Sunny Brooks, Sarjapura Main Road, New Wipro Corp Office, Doddakannalli, Carmelaram, Bangalore - 560035
11	Ms. Leher Vijay Thadani	05-08-2021	37	Non-Executive Director	1012 B, The Magnolias, DLF Golf Links, Near Park, DLF City-5, Gurugram, Haryana 122009
12	Mr. Udai Singh Pawar	05-08-2021	40	Non-Executive Director	401, HSG Aashna Co-Op Society, St. Martin Road, Bandra (W), Mumbai- 400050

## (ii) Promoter and Promoter Group

S. No.	Name	Category	Number of equity shares held	Address
1	Rajendra Singh Pawar and Neeti Pawar	Promoter	1,55,000	N-3, Panchshila Park, New Delhi-110017
2	Vijay Kumar Thadani and Renuka Vijay Thadani	Promoter	1,55,000	1012 B, The Magnolias, DLF Golf Links, Near Park, DLF City-5, Gurugram, Haryana 122009
3	Neeti Pawar and Rajendra Singh Pawar	Promoter Group	4,27,326	N-3, Panchshila Park, New Delhi-110017
4	Urvashi Pawar	Promoter Group	56,250	N-3, Panchshila Park, New Delhi-110017
5	Unnati Pawar	Promoter Group	56,242	N-3, Panchshila Park, New Delhi-110017
6	Udai Singh Pawar	Promoter Group	7,500	401, HSG Aashna Co-Op Society, St. Martin Road, Bandra (W), Mumbai- 400050
7	Rajendra Singh Pawar as Trustee of Pawar Family Trust	Promoter Group	2,24,45,644	8, Balaji Estate, 1 <sup>st</sup> Floor, Guru Ravi Das Marg, Kalkaji, New Delhi-110019
8	R S Pawar HUF	Promoter Group	2,527	N-3, Panchshila Park, New Delhi-110017
9	Renu Kanwar and Vandana Katoch	Promoter Group	2,339	H-24, Kailash Colony, New Delhi-110048
10	Santosh Dogra	Promoter Group	1,687	H No. 501, Sector 7, Channi Himmat Jammu, J AND K-180015
11	Janki Jamwal and Neeti Pawar	Promoter Group	652	N-3, Panchshila Park, New Delhi-110017
12	Janki Jamwal and Pramod Singh Jamwal	Promoter Group	562	N-3, Panchshila Park, New Delhi-110017

S. No.	Name	Category	Number of equity shares held	Address
13	Janki Jamwal and Keerti Katoch	Promoter Group	562	N-3, Panchshila Park, New Delhi-110017
14	Renuka Vijay Thadani and Vijay Kumar Thadani	Promoter Group	1,000	1012 B, The Magnolias, DLF Golf Links, Near Park, DLF City-5, Gurugram, Haryana 122009
15	Vijay Kumar Thadani as Trustee of Thadani Family Trust	Promoter Group	2,29,94,229	8, Balaji Estate, 1 <sup>st</sup> Floor, Guru Ravi Das Marg, Kalkaji, New Delhi-110019
16	V K Thadani HUF	Promoter Group	2,527	1012 B, The Magnolias, DLF Golf Links, Near Park, DLF City-5, Gurugram, Haryana 122009
17	Rasina Uberoi	Promoter Group	15,464	40 Sukhumvit SOI 19 Villa Bajaj, Wattana, Bangkok, Thailand- 10110
18	Rubika Vinod Chablani	Promoter Group	1,687	PO BOX 1545, Dubai, UAE
19	Arvind Thakur	Promoter Group	5,66,829	504 V Floor, Kings Block Royal Retreat, Charmwood Village, Faridabad-121009
20	Kailash K Singh and Yogesh Singh	Promoter Group	750	C 233, Indira Nagar, Lucknow, UP-226016

Note:

(a) Details of the persons / entities of the promoter group who are holding shares of the Transferor Company are provided.

(b) For Promoter/ Promoter Group :

- Rajendra Singh Pawar and Vijay Kumar Thadani are the only promoters of the Transferor 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.

(iii) The details of the shareholding of the Directors and Key Managerial Personnel of the Transferor Company, in the Transferor Company and in the Transferee Company, as on date of this notice is as follows:

S. No.	Name	Designation	Number of equity shares held in Transferor Company	Number of equity shares held in Transferee Company
1	Mr. Rajendra Singh Pawar	Non-Executive Chairman	5,84,853*	NIL
2	Mr. Vijay Kumar Thadani	Vice-Chairman & Managing Director	1,58,527#	NIL
3	Mr. Parappil Rajendran	Joint Managing Director	16,49,191\$.^	NIL
4	Mr. Sapnesh Kumar Lalla	Executive Director & Chief Executive Officer	4,73,052^	NIL
5	Mr. Anand Sudarshan	Independent Director	NIL	NIL
6	Mr. Ravinder Singh	Independent Director	630@	NIL
7	Ms. Geeta Mathur	Independent Director	NIL	NIL
8	Ms. Avani Vishal Davda	Independent Director	NIL	NIL
9	Ms. Sangita Singh	Independent Director	NIL	NIL
10	Mr. Ravindra Babu Garikipati	Independent Director	NIL	NIL
11	Ms. Leher Vijay Thadani	Non-Executive Director	NIL	NIL
12	Mr. Udai Singh Pawar	Non-Executive Director	7,500	NIL
13	Mr. Sanjay Mal	Chief Financial Officer	78,704^	1 (as nominee of Transferor Company)
14	Mr. Deepak Bansal	Company Secretary	4,000^	NIL

Notes:

\* Including 1,55,000 shares as first holder with spouse, 4,27,326 shares as second holder with spouse and 2,527 shares as Karta and doesn't include 2,24,45,644 equity shares held by Mr. Rajendra Singh Pawar, as trustee of Pawar Family Trust

# Including 1,55,000 shares with spouse as first holder, 1,000 shares as second holder with spouse and 2,527 shares as Karta and doesn't include 2,29,94,229 equity shares held by Mr. Vijay Kumar Thadani, as trustee of Thadani Family Trust

\$ Including 7,537 shares as first holder and 7,60,052 shares as second holder with spouse

@ Including 198 shares held as second holder with spouse

^ This does not include Stock Options (vested/ unvested, yet to be exercised) granted by the Transferor Company from time to time

## 2. Particulars of the Transferee Company

(a) NIIT Learning Systems Limited ("**Transferee 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 Transferee 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 Transferee 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 Transferee Company was changed to its present name i.e. NIIT Learning Systems Limited *vide* fresh certificate of incorporation dated January 18, 2022. The Transferee 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 Transferee Company is [info@niit.com](mailto:info@niit.com). The shares of the Transferee Company are not listed on any of the stock exchanges.

(b) The main objects of the Transferee 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 curricula 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 project to 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 broad-band wireless, wireline and optical communications equipment and to undertake all other related activities."*

During the last five years, there has been no change in the objects clause of the Transferee Company.

(c) The Transferee Company is 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 Transferee 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.

- (d) The share capital of the Transferee Company as on date of this notice is as follows:

Particulars	Amount in INR
<b>Authorized Capital</b>	
12,00,00,000 equity shares of INR 10/- each	1,20,00,00,000
<b>Total</b>	<b>1,20,00,00,000</b>
<b>Issued, Subscribed and paid-up share capital</b>	
11,55,64,072 equity shares of INR 10/- each	1,15,56,40,720
<b>Total</b>	<b>1,15,56,40,720</b>

There is no change in the capital structure of the Transferee Company since January 28, 2022 i.e. date of approval of the Scheme by the Board of Directors of the Transferee Company.

The latest audited annual financial statements of the Transferee Company for the financial year ended on March 31, 2022 are attached hereto as **Annexure 4**. The standalone unaudited financial accounts for quarter ended June 30, 2022 are attached hereto as **Annexure 5**.

- (e) The details of Directors and Promoters of the Transferee Company (as on the date of the notice) along with their addresses are mentioned herein below:
- (i) Directors

S. No.	Name	Date of Appointment	Age	Designation	Address
1	Mr. Parappil Rajendran	16-07-2001	69	Non-Executive Chairman	103, Anand Lok, New Delhi-110049
2	Mr. Vijay Kumar Thadani	14-03-2016	71	Non-Executive Director	1012 B, The Magnolias, DLF Golf Links, Near Park, DLF City-5, Gurugram, Haryana 122009
3	Mr. Sapnesh Kumar Lalla	10-05-2017	56	Non-Executive Director	ES 187, E Space, Nirvana Country, Gurugram-122018
4	Ms. Mita Brahma	05-08-2021	66	Non-Executive Director	M 43 Tower 6, Ridgewood Estate, DLF Phase 4, Gurugram-122009

- (ii) Promoter

The Transferee Company is a wholly owned subsidiary of NIIT Limited, the Transferor Company.

S. No.	Name	Number of equity shares held	Address
1	NIIT Limited	11,55,64,072*	Plot No. 85, Sector-32, Institutional Area, Gurugram 122001 (Haryana)

\* includes 6 equity shares held through 6 nominee shareholders holding 1 equity share each on behalf of NIIT Limited

- (iii) The details of the shareholding of the Directors and Key Managerial Personnel of the Transferee Company, in the Transferee Company and in the Transferor Company, as on date of this notice is as follows:

S. No.	Name	Designation	Number of equity shares held in Transferee Company	Number of equity shares held in Transferor Company
1	Mr. Parappil Rajendran	Non-Executive Chairman	NIL	16,49,191 <sup>5^</sup>
2	Mr. Vijay Kumar Thadani	Non-Executive Director	NIL	1,58,527 <sup>#</sup>
3	Mr. Sapnesh Kumar Lalla	Non-Executive Director	NIL	4,73,052 <sup>^</sup>
4	Ms. Mita Brahma	Non-Executive Director	NIL	NIL
5	Ms. Leena Khokha	Manager	NIL	0 <sup>^</sup>
6	Mr. Sanjay Kumar Jain	Chief Financial Officer	NIL	1,000 <sup>^</sup>
7	Mr. Siddharth Nath	Company Secretary	NIL	NIL

Notes:

<sup>\$</sup> Including 7,537 shares as first holder and 7,60,052 shares as second holder with spouse

<sup>#</sup> Including 1,55,000 shares with spouse as first holder, 1,000 shares as second holder with spouse and 2,527 shares as Karta and doesn't include 2,29,94,229 equity shares held by Mr. Vijay Kumar Thadani, as trustee of Thadani Family Trust

<sup>^</sup> This does not include Stock Options (vested/ unvested, yet to be exercised) granted by the Transferor Company from time to time

**II. Details of the Board meeting at which the Scheme was approved by the Board of Directors of the Companies including the name of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution**

- (a) The Board of Directors of the Transferor Company at its Board Meeting held on January 28, 2022, unanimously approved the Scheme, as per following voting details :

Sr. No.	Name of Director	Voted in favour / against / did not participate or vote
1	Mr. Rajendra Singh Pawar	Voted in favour
2	Mr. Vijay Kumar Thadani	Voted in favour
3	Mr. Parappil Rajendran	Voted in favour
4	Mr. Sapnesh Kumar Lalla	Voted in favour
5	Mr. Anand Sudarshan	Voted in favour
6	Mr. Ravinder Singh	Voted in favour
7	Ms. Geeta Mathur	Voted in favour

Sr. No.	Name of Director	Voted in favour / against / did not participate or vote
8	Ms. Avani Vishal Davda	Voted in favour
9	Ms. Sangita Singh	Voted in favour
10	Mr. Ravindra Babu Garikipati	Voted in favour
11	Ms. Leher Vijay Thadani	Voted in favour
12	Mr. Udai Singh Pawar	Voted in favour

- (b) The Board of Directors of the Transferee Company at its Board Meeting held on January 28, 2022 unanimously approved the Scheme, as per following voting details:

Sr. No.	Name of Director	Voted in favour / against / did not participate or vote
1	Mr. Parappil Rajendran	Voted in favour
2	Mr. Vijay Kumar Thadani	Voted in favour
3	Mr. Sapnesh Kumar Lalla	Voted in favour
4	Ms. Mita Brahma	Voted in favour

### III. **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:
- 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;
  - 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 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;
  - 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) In consideration for the transfer and vesting of the CLG Business Undertaking, the Transferee Company shall issue and allot equity shares to the shareholders of the Transferor Company which 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 of the Scheme.
- (d) The equity shares of the Transferor Company shall continue to be listed on the Stock Exchanges.



- (e) 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).
- (f) The Scheme is and shall be conditional upon and subject to:
  - (i) The approval by the requisite majorities of the classes of persons, including shareholders, creditors of the Transferor Company and the Transferee Company as may be directed by the NCLT under Sections 230- 232 of the Act;
  - (ii) The sanctioning of the Scheme by the NCLT, whether with any modifications or amendments as NCLT may deem fit or otherwise;
  - (iii) The filing of the certified copies of the orders of the NCLT with the Registrar of Companies, National Capital Territory of Delhi and Haryana, by the Transferor Company and the Transferee Company, as the case may be; and
  - (iv) Any other sanctions and orders as may be directed by the NCLT in respect of the Scheme.

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

#### **IV. Appointed Date and Effective Date**

- (a) The Appointed Date of the Scheme shall be the April 1, 2022 or such other date as may be approved by the NCLT.
- (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.

#### **V. Relationship subsisting between Parties to the Scheme**

The Transferee Company is a wholly owned subsidiary of the Transferor Company.

#### **VI. Rationale and benefits of the Scheme**

- A. The transfer and vesting of the CLG Business Undertaking into the Transferee Company pursuant to this Scheme shall be in the interest of all concerned stakeholders including shareholders, customers, creditors, employees and general public, in the following ways:
  - (a) 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.
  - (b) Both businesses have attained a significant size, 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.
  - (c) 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.
  - (d) 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 had an existing paid up equity share capital of INR 1,15,56,40,720 (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 rationalise its capital structure.
- C. The Board of Directors of the Transferor Company and the Transferee Company believe that the Scheme is in the best interests of the respective entities and their respective stakeholders including its shareholders, customers, employees, creditors and general public.

## **VII. Consideration**

- A. 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 this 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.”*

- B. 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.

## **VIII. Valuation Report on Share Entitlement Ratio and Fairness Opinion**

- A. The Transferor Company and Transferee Company have obtained a Valuation Report containing the share entitlement ratio dated January 28, 2022, from Ms. Drushti R. Desai, Bansi S. Mehta & Co. (“**Valuation Report**”) and a fairness opinion dated January 28, 2022 from Corporate Professionals Capital Private Limited, an independent SEBI registered merchant banker (“**Fairness Opinion**”) providing its opinion on the fairness of the share entitlement ratio as recommended in the Valuation Report, pursuant to the SEBI Master Circular.
- B. The following share entitlement ratio has been approved *vide* the aforesaid report:

*“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.”*

- C. A copy of the Valuation Report and Fairness Opinion are appended herewith as **Annexure 6** and **Annexure 7** respectively. The copy of Valuation Report and Fairness Opinion are also available at the registered office of the Transferor Company and Transferee Company for inspection.

## **IX. Interest of Directors / Key Managerial Personnel (KMPs), their relatives and Debenture Trustee**

- A. None of the Directors / KMPs of the Transferor Company and their respective relatives (as defined under the Act and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Transferor Company, if any, and/or to the extent the said directors are common directors of the Transferor Company and the Transferee Company (as applicable). Save as aforesaid, none of the said Directors or the

KMPs or their respective relatives has any material interest in the Scheme. The Transferor Company has not issued any debentures and hence, does not have Debenture Trustee.

- B. None of the Directors / KMPs, as applicable, of the Transferee Company and their respective relatives (as defined under the Act and rules framed thereunder), has any interest in the Scheme except to the extent of their shareholding in the Transferor Company, if any, and/or to the extent the said directors are common directors of the Transferee Company and the Transferor Company (as applicable). Save as aforesaid, none of the said Directors or the KMPs, as applicable, or their respective relatives has any material interest in the Scheme. The Transferee Company has not issued any debentures and hence, does not have Debenture Trustee.

#### **X. Capital / Debt Restructuring**

- A. There is no debt restructuring envisaged in the Scheme. Other than as mentioned in Part III and Part V of the Scheme, the Scheme does not involve any capital restructuring.
- B. The pre-scheme and expected post-scheme shareholding pattern of the Transferor Company and the Transferee Company are provided hereunder:
- (a) Pre-scheme shareholding pattern of Transferor Company as on September 23, 2022:

<b>Sr. No.</b>	<b>Category of Shareholder</b>	<b>Number of Fully paid up equity shares held</b>	<b>Percentage of shares held as percentage of total capital (%)</b>
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>		
<b>1</b>	<b>Indian</b>		
(a)	Individuals/ Hindu Undivided Family	14,36,753	1.07
(b)	Body Corporate/Trust	4,54,39,873	33.80
	<b>Sub–Total (A)(1)</b>	<b>4,68,76,626</b>	<b>34.87</b>
<b>2</b>	<b>Foreign</b>	<b>17,151</b>	<b>0.01</b>
	<b>Sub–Total (A)(2)</b>	<b>17,151</b>	<b>0.01</b>
	<b>Total Shareholding of Promoter and Promoter Group</b>	<b>4,68,93,777</b>	<b>34.88</b>
	<b>(A) = (A)(1)+(A)(2)</b>		
<b>(B)</b>	<b>Public Shareholding</b>		
<b>1</b>	<b>Institutions</b>		
	Foreign Portfolio Investor	2,86,63,217	21.32
	Mutual Funds	1,07,60,321	8.00
	Alternate Investment Funds	48,59,817	3.61
	Financial Institutions/ Banks	6,094	0.00
	Insurance Companies	3,51,370	0.26
	<b>Sub Total (B)(1)</b>	<b>4,46,40,819</b>	<b>33.20</b>

Sr. No.	Category of Shareholder	Number of Fully paid up equity shares held	Percentage of shares held as percentage of total capital (%)
2	<b>Central Government/ State Government(s)/ President of India</b>		
	Central Government/ State Government(s)/ President of India	15,000	0.01
	<b>Sub Total (B)(2)</b>	<b>15,000</b>	<b>0.01</b>
3	<b>Non – Institutions</b>		
	Individual share capital upto Rs. 2 Lacs	2,26,34,837	16.84
	Individual share capital in excess of Rs. 2 Lacs	99,34,840	7.39
	NBFCs registered with RBI	1,779	0.00
	<b>Any Other (specify)</b>		
	Body Corporate	70,02,190	5.21
	Non Resident Indians	12,74,569	0.95
	Non Resident Non Repartriates	5,81,219	0.43
	Foreign Nationals	68,788	0.05
	Trusts	41,591	0.03
	Clearing Members	1,42,807	0.11
	HUF	7,74,777	0.58
	IEPF	4,39,533	0.33
	<b>Sub Total (B)(3)</b>	<b>4,28,96,930</b>	<b>31.91</b>
	<b>Total Shareholding of Public shareholders</b>	<b>8,75,52,749</b>	<b>65.12</b>
	<b>(B) = (B)(1) + (B)(2) + (B)(3)</b>		
(C)	<b>Non Promoter – Non Public</b>		
	Custodian/DR Holder	0	0
	Employee Benefit Trust	0	0
	<b>Total Shareholding of Non Promoter – Non Public</b>	0	0
	<b>TOTAL (A+B+C)</b>	<b>13,44,46,526</b>	<b>100.00</b>

The Transferor Company has outstanding stock options, the exercise of which will result in an increase in the pre-scheme issued, subscribed and paid-up share capital of the Transferor Company.

(b) Expected post-scheme shareholding pattern of Transferor Company:

The shareholding pattern of the Transferor Company would not change as a consequence of the implementation of the Scheme and would remain identical as the pre-scheme shareholding pattern. Therefore, expected post-scheme shareholding pattern of Transferor Company is not provided separately.

(c) Pre-scheme shareholding pattern of Transferee Company as on September 23, 2022:

Sr. No	Category of Shareholder	Number of fully paid up equity shares held
1	Promoter*	11,55,64,072
	<b>Total</b>	<b>11,55,64,072</b>

\* NIIT Limited is the promoter; includes 6 equity shares held through 6 nominee shareholders holding 1 equity share each on behalf of NIIT Limited

(d) Expected post-scheme shareholding pattern of Transferee Company:

Sr. No.	Category of Shareholder	Number of Fully paid up equity shares held	Percentage of shares held as percentage of total capital (%)
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>		
<b>1</b>	<b>Indian</b>		
(a)	Individuals/ Hindu Undivided Family	14,36,753	1.07
(b)	Body Corporate/Trust	4,54,39,873	33.80
	<b>Sub–Total (A)(1)</b>	<b>4,68,76,626</b>	<b>34.87</b>
2	Foreign	17,151	0.01
	<b>Sub–Total (A)(2)</b>	<b>17,151</b>	<b>0.01</b>
	<b>Total Shareholding of Promoter and Promoter Group</b>	<b>4,68,93,777</b>	<b>34.88</b>
	<b>(A) = (A)(1)+(A)(2)</b>		
<b>(B)</b>	<b>Public Shareholding</b>		
1	<b>Institutions</b>		
	Foreign Portfolio Investor	2,86,63,217	21.32
	Mutual Funds	1,07,60,321	8.00
	Alternate Investment Funds	48,59,817	3.61
	Financial Institutions/ Banks	6,094	0.00
	Insurance Companies	3,51,370	0.26
	<b>Sub Total (B)(1)</b>	<b>4,46,40,819</b>	<b>33.20</b>

Sr. No.	Category of Shareholder	Number of Fully paid up equity shares held	Percentage of shares held as percentage of total capital (%)
2	<b>Central Government/ State Government(s)/ President of India</b>		
	Central Government/ State Government(s)/ President of India	15,000	0.01
	<b>Sub Total (B)(2)</b>	<b>15,000</b>	<b>0.01</b>
3	<b>Non – Institutions</b>		
	Individual share capital upto Rs. 2 Lacs	2,26,34,837	16.84
	Individual share capital in excess of Rs. 2 Lacs	99,34,840	7.39
	NBFCs registered with RBI	1,779	0.00
	<b>Any Other (specify)</b>		
	Body Corporate	70,02,190	5.21
	Non Resident Indians	12,74,569	0.95
	Non Resident Non Repartriates	5,81,219	0.43
	Foreign Nationals	68,788	0.05
	Trusts	41,591	0.03
	Clearing Members	1,42,807	0.11
	HUF	7,74,777	0.58
	IEPF	4,39,533	0.33
	<b>Sub Total (B)(3)</b>	<b>4,28,96,930</b>	<b>31.91</b>
	<b>Total Shareholding of Public shareholders</b>	<b>8,75,52,749</b>	<b>65.12</b>
	<b>(B) = (B)(1)+(B)(2)+(B)(3)</b>		
(C)	<b>Non Promoter – Non Public</b>		
	Custodian/DR Holder	0	0
	Employee Benefit Trust	0	0
	<b>Total Shareholding of Non Promoter – Non Public</b>	0	0
	<b>TOTAL (A+B+C)</b>	<b>13,44,46,526</b>	<b>100.00</b>

Note :

*The shareholding pattern of the Transferee Company is expected to be identical as the pre-scheme shareholding pattern of the Transferor Company, as mentioned in Para X (B) (a).*

*Upon coming into effect of the Scheme, the Transferee Company shall issue and allot 1 (one) equity share of the Transferee Company of face value of INR 2 each, to every equity shareholder of the Transferor Company for every 1 (one) equity share held in the Transferor Company as on the Record date.*

#### **XI. Auditors' Certificate on conformity of accounting treatment in the Scheme with Accounting Standards**

The Statutory Auditors of the Transferor Company and of the Transferee Company have confirmed that the accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act.

#### **XII. Effect of Scheme on stakeholders**

A. Equity shareholders, key managerial personnel, promoter and non-promoter shareholders:

The effect of the Scheme on the equity shareholders, key managerial personnel, promoter and non-promoter shareholders of the Transferor Company and the Transferee Company is given in the reports adopted by the Board of Directors of the Transferor Company and the Transferee Company at their respective meetings held on January 28, 2022 pursuant to the provisions of Section 232(2)(c) of the Act which are attached as **Annexure 8** and **Annexure 9** to this Statement.

B. Directors:

The Scheme will have no effect on the office of the existing Directors of the Transferor Company and the Transferee Company. Further, no change in the Board of Directors of the Transferor Company and the Transferee Company is envisaged on account of the Scheme. It is clarified that, the composition of the Board of Directors of the Transferor Company and of the Transferee Company may change by appointments, retirements or resignations in accordance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and Memorandum and Articles of Association of the Transferor Company and of the Transferee Company.

C. Employees:

- (a) In terms of the Scheme, employees of the Transferor Company not forming part of the CLG Business Undertaking will continue to be employees of the Transferor Company, on the same terms and conditions on which they were engaged in the Transferor Company.
- (b) In terms of the Scheme, all employees forming part of the CLG Business Undertaking shall be transferred to the Transferee Company on the same terms and conditions on which they are engaged by the Transferor Company.
- (c) Thus, the Scheme will have no adverse effect on the employees of the Transferor Company.
- (d) Upon the Scheme coming into effect, the employees of the Transferee Company shall continue on the same terms and conditions and the Scheme will have no adverse effect on them.

D. Creditors (other than Debenture holders and Bond holders):

- (a) The transfer of the CLG Business Undertaking to the Transferee Company, will not adversely impact the rights and interest of the creditors of the Transferor Company. The creditors of the Transferor Company not forming part of the CLG Business Undertaking shall continue to be creditors of the Transferor Company and shall be paid in the ordinary course of business by the Transferor Company.
- (b) The creditors of the Transferor Company forming part of the CLG Business Undertaking will become creditors of the Transferee Company and shall be paid in the ordinary course of business by the Transferee Company.
- (c) There will be no adverse impact on the rights and interest of the creditor(s) of the Transferor Company and Transferee Company.

E. Debenture holders, Bond holders and Debenture Trustees:

The Transferor Company and the Transferee Company have not issued any debentures or bonds and do not have Debenture Trustee.

F. Depositors and Deposit Trustees:

The Transferor Company and the Transferee Company have not accepted any deposits within the meaning of the Act and Rules framed thereunder. Hence, no Deposit Trustees have been appointed.

Thus, the Scheme will have no adverse effect on the aforesaid stakeholders.

### **XIII. Amounts due to unsecured creditors**

A. The amount due to unsecured creditors of the Transferor Company, as on April 30, 2022 is INR 22,32,57,603/-.

B. The amount due to unsecured creditors of the Transferee Company, as on April 30, 2022 is INR 1,59,24,077/-.

### **XIV. Approvals and intimations in relation to the Scheme**

A. The proposed Scheme was placed before the meeting of Independent Directors and Audit Committee of the Transferor Company at their meetings held on January 28, 2022. The Independent Directors and Audit Committee of the Transferor Company recommended and approved the Scheme after considering various documents, certificates, undertakings, reports including the Valuation Report containing the share entitlement ratio and Fairness Opinion.

B. (i) The Board of Directors of the Transferor Company at its meeting held on January 28, 2022 had unanimously approved the Scheme based on the recommendation of the meeting of Independent Directors, Audit Committee and considering various documents, certificates, undertakings, reports including Valuation Report and Fairness Opinion.

(ii) The Board of Directors of the Transferee Company at its meeting held on January 28, 2022 had unanimously approved the Scheme considering various documents, certificates, undertakings, reports including Valuation Report and Fairness Opinion.

C. In terms of Regulation 37 of the SEBI LODR read with SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as amended from time to time ("**SEBI Master Circular**"), the Transferor Company had applied to BSE and NSE on February 4, 2022 for seeking their No objection to the proposed Scheme. Further, BSE, the Designated Stock Exchange forwarded the said application along with Draft Scheme to SEBI for its approval and/or comments. BSE and NSE, by their respective letters, dated May 30, 2022 and May 31, 2022 have issued their observations on the Scheme to the Transferor Company. Copies of the said observation letters issued by BSE and NSE to the Transferor Company are attached herewith as **Annexure 10** and **Annexure 11** respectively. The Transferor Company and Transferee Company shall comply with all requirements as mentioned in observation letters issued by BSE and NSE. Further, in terms of the said SEBI Master Circular, the Transferor Company had not received any complaint relating to the Scheme and "NIL" complaint reports were filed by the Transferor Company with BSE and NSE, copies of which are attached herewith as **Annexure 12**. The Scheme along with related documents were uploaded on the websites of the Transferor Company.

D. As per comments as contained in the above observation letters, following information / documents are given in this statement:

(i) Reasons for losses incurred in the Transferee Company:

The Transferee Company was incorporated in July 2001 with an objective to provide education and training solutions for students in low-income group through internet based learning stations. The Transferee company continued to incur losses as the experimental model did not achieve desired scale, although it generated path-breaking research and intellectual property (IP) that helped the company advance its learning methodologies.

From FY15, the Transferee Company took on the business of providing managed computer education services including provision of content development services to government schools across multiple states in India. This business incurred losses due to low margin, unexpected delay/part-realization of payments, overrun of projects from government schools. The losses also include impact of non-cash amortization of fixed assets and goodwill as well as the interest cost.



The Transferee Company completed execution of aforesaid government projects and focused on the business of providing technology-based education and education resource planning services in non-government schools and therefore the Transferee Company achieved positive Earnings before Interest, Tax and Depreciation (EBITDA) during FY15 - FY18. From FY19, the sales were impacted due to various restrictions driven by regulatory changes as well as disruption in physical functioning of schools due to the pandemic, leading to reduced operations and orders from customers.

- (ii) Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the Transferor Company, its promoters and directors:

Details of litigations/proceedings which have been filed against the Transferor Company, its promoters and directors in relation to the business of the Transferor Company in the usual course of business/operations of the Transferor Company are set out in **Annexure 13**.

- E. All the information submitted by the Transferor Company to NSE and BSE (Stock Exchanges) in relation to seeking their observation letters on the Scheme are available on the website of the Transferor Company and can be accessed through <https://www.niit.com/india/training/investors/Pages/Scheme-of-Arrangement-2022.aspx>.
- F. In addition to the approval of the Tribunal, the Transferor Company and / or the Transferee Company will obtain such necessary approvals/sanctions/no objection(s) from the regulatory or other governmental authorities in respect of the Scheme in accordance with law, as may be required.
- G. A copy of the Scheme has been filed by the Transferor Company and the Transferee Company respectively with the Registrar of Companies, National Capital Territory of Delhi and Haryana.
- H. The Scheme was filed by the Companies with the Chandigarh Bench of the NCLT on June 25, 2022, and the NCLT has passed directions to convene Meetings vide its Order dated August 29, 2022 read with Order dated September 8, 2022.
- I. The Scheme is subject to approval by the requisite majority of the Shareholders, Secured and Unsecured Creditors of the Transferor Company and Unsecured Creditors of Transferee Company in terms of the applicable provisions of the Act and the applicable Rules. Further, in terms of the said provisions and the Orders, NCLT has granted dispensation from holding meeting of equity shareholders of the Transferee Company. Further, the Transferee Company has no Secured Creditors, the question of dispensation does not arise.
- J. Information pertaining to the Transferee Company involved in the Scheme in the format prescribed for abridged prospectus as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 is attached hereto as **Annexure 14**. A Certificate issued by Corporate Professionals Capital Private Limited, an Independent SEBI Registered Merchant Banker, certifying the accuracy and adequacy of information in Abridged Prospectus is attached herewith as **Annexure 15**.

#### **XV. Pending investigation proceedings**

No investigation proceeding has been instituted and/or is pending against the Transferor Company and the Transferee Company under the Act. Details of other litigations/proceedings which have been filed against the Transferor Company, its promoters and directors in relation to the business of the Transferor Company in the usual course of business/ operations of the Transferor Company are set out in **Annexure 13**.

In addition, as on the date of this notice, no winding up proceeding is pending against the Transferor Company and the Transferee Company.

#### **XVI. Miscellaneous:**

##### **A. Arrangements between the Transferor Company and the Transferee Company, etc.**

- (a) Relevant clauses pertaining to related party transactions between the Transferor Company and Transferee Company as set out in the Scheme are reproduced below for ease of reference:-
- (i) *Currently, the CLG Business Undertaking is being carried on as a part of the business of the Transferor Company and will continue to be carried on by the Transferor Company till the Effective Date. The CLG Business Undertaking and Residual Business of the Transferor Company would have certain inter-dependencies and, therefore, to ensure continuity of the operations, the Transferor Company and Transferee Company 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, for which appropriate contracts will be entered into between the Transferor Company and the Transferee Company prior to the Effective Date. In relation to the aforementioned, some of the key business relationships proposed between the Transferor Company and the Transferee Company, which may continue beyond 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.*

- (ii) The agreements executed prior to the Effective Date between the Transferor Company and the Transferee Company, shall be subject to the necessary approvals of the Transferor Company and the Transferee Company (as applicable) in accordance with the Act, SEBI LODR and all other applicable provisions of Applicable Law, and such agreements shall be binding on the parties thereto.*
  - (iii) It is clarified that all guarantees provided by the Transferor Company (including for and on behalf of the Subsidiaries and the Step-Down Subsidiaries) in respect of the CLG Business Undertaking and the Transferor Company shall be valid and subsisting till adequate arrangements/ guarantees have been provided in respect of the same by the Transferee Company.*
- (b) In relation to the aforesaid clauses, the Transferor Company have prior to the date of this notice have entered into following agreements: -

The agreements stated below have been entered into between the Transferor Company and Transferee Company ("collectively "Companies") on March 31, 2022 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 LODR will be sought from time to time, as applicable.

**(a) Lease Rental**

- (i) The agreement to lease for office space inter-alia primarily situated at A-24, Info Technology Park, Sector 34, Gurugram, Haryana 122001 by Transferor Company to Transferee Company (and its permitted users) for the purposes of carrying out the Permitted Business therefrom, and other terms and conditions are as per the agreement.
- (ii) Tenure: The tenure of agreement to lease is initially for a period of 6 (six) months from the Effective Date of the Scheme. The Parties may mutually renew/extend the lease of the premises for an additional period subject to applicable approvals.
- (iii) Consideration : Upto Rs. 66,000,000/- per annum (excluding taxes and cost of maintenance of building, utilities, licenses and improvements to be borne by the Transferee Company).
- (iv) Justification and Rationale : The Transferor Company is currently owning the buildings and immovable properties and will continue to own the same. After the Scheme, the transferee Company will also use the same for carrying on its business activities. The proposed arrangement is pursuant to the Scheme and for realisation of economic benefits. This will enable continuity of services and utilization of resources also. This transaction between the Companies is at arms' length on the basis of Third-party Benchmark. The same shall be deemed to be in the ordinary course of business after the Effective date of the Scheme.

**(b) Brand License Agreement**

- (i) The Brand license agreement is for use of Brands (NIIT & Stackroute) by Transferee Company (and its permitted users) which are owned by the Transferor Company, perpetually as a non-exclusive and non-transferable right to use within the User Territory, for the Permitted Usage and other terms and conditions as per the agreement and as specified in clause number 4.2.1 (vi) of the Scheme.

(ii) Tenure and consideration : As specified in clause 4.2.1 (vi) of the Scheme, no royalty will be charged by Transferor Company from Transferee Company. However, in terms of the aforesaid agreement, there shall be a recovery of service fee for upto Rs. 1,000,000/- (proportionate actual cost plus basis) by Transferor Company from the Transferee Company for a period of 6 months from the Effective Date of the Scheme for which current approval is being sought. The Parties may mutually agree for an additional period subject to applicable approvals.

(iii) Justification and Rationale :

- Transferor Company will continue to be the legal owner of its Brand (i.e. 'NIIT' & 'Stackroute'). Further, post effectiveness of the Scheme, Transferee Company will continue to use these brands. Transferor Company (prior to the scheme, comprising of CLG business undertaking and residual business) have spent in developing the brand in the past therefore, no Royalty is proposed to be charged on account of Brand uses. Both Transferor and Transferee Companies will continue to spend for brand promotion activities in future without any cross charge. However, since the Transferor Company will continue to legally own the brands, a charge on account of legal brand management fee for recovery of proportionate actual cost with markup will be charged from the Transferee Company. Transferor and Transferee Companies may continue to charge for Brand Royalty from their respective subsidiaries.
- The proposed arrangement is pursuant to the Scheme and for better leverage by both entities post scheme. Pursuant to the Scheme, post transfer of CLG business undertaking, the economic rights of using the brand also goes to the transferee Company along with the business contracts, client lists, related employees, capabilities, etc. The Transferee Company will continue with marketing spend for its business, which will encompass the 'NIIT' brand and any other derivative, which the transferee Company will create. Considering the above, both Companies would not be required to make any payment to each other on account of economically exploiting the brand, from an arm's length perspective.

**(c) Intellectual Property License Agreement**

(i) As mentioned in clause 4.2.1 (v), 4.2.1 (vi) and 4.2.1 (vii) of the Scheme, the Companies have entered into Intellectual Property license agreement for grant of perpetual license by Transferor Company to Transferee Company and by Transferee Company to Transferor Company and their Permitted Users for an irrevocable royalty-free, non-exclusive, non-assignable, non-sub-licensable license to use, exploit, develop, modify and prepare derivative works of the Licensed Intellectual Property ("IP") and other terms and conditions are as per the agreement.

(ii) Tenure and Consideration : The IP License Agreement is a long-term agreement between the Companies for use of IP perpetually subject to conditions as mentioned in the said agreement and clause 4.2.1 (v), 4.2.1 (vi) and 4.2.1 (vii) of the Scheme. In terms of this Agreement, no royalty will be charged by Transferor Company or Transferee Company in relation to usage of IP Transferee Company/ Transferor Company. However, following fees will be charged for a period of 6 months from the Effective Date of the Scheme for which current approval is being sought :

- a service fee of upto Rs. 5,00,000/- will be charged by each of the respective Companies (proportionate actual cost plus markup) in relation to items specified in point number iii (a) and iii(b) below
- receipt by Transferor Company upto Rs. 30,000,000/- and payment by Transferor Company upto Rs. 30,000,000/- in relation to item specified in point number iii(c) below

The Parties may mutually agree for an additional period subject to applicable approvals.

(iii) Considering the fact that prior to the Scheme, both transferor and transferee Companies have jointly developed certain IPR's therefore neither Transferor nor Transferee Company would be required to make any payment to each other on account of economically exploiting the IPR, from an arm's length perspective for the following:

- (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. As part of the 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. Since Transferee Company will continue to legally own these IPR – a charge on account of legal ownership will be done by the Transferee Company from Transferor Company.
- (b) All the intellectual property other than those pertaining to CLG Business undertaking as set out in para above, shall continue to be owned by the Transferor Company. As part of the Scheme, the Transferee Company shall have the royalty free economic right to use, as a licensee, the intellectual property, in perpetuity from the Appointed Date. Since Transferor Company will continue to legally own these IPR – a charge on account of legal ownership will be done by the Transferor Company from Transferee Company.
- (c) 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 same shall be subject to the charges for such Derivative Intellectual Property.

(iv) Justification and Rationale :

The proposed arrangement is pursuant to the Scheme and for better leverage by both entities post scheme. This will enable better economies of scale and utilisation of resources.

**(d) Master Service Agreement :**

- (i) Pursuant to the proposed scheme of arrangement, a Master Service Agreement is entered between the Companies for providing/ sharing certain common services/resources, by Transferor Company to Transferee Company and by Transferee Company to Transferor Company (and their Permitted Users) to ensure continuity of the operations, to undertake various business relationships with each other 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.
- (ii) Tenure: Initially for a period of 6 (six) months from the Effective Date of the Scheme.
- (iii) Consideration : Receipt by Transferor Company upto Rs. 121,500,000/- and payment by Transferor Company upto Rs.65,000,000/-. Depending upon the transaction, the recovery shall be based on (a) cost to cost basis or; (b) Third Party Benchmark / Cost Plus Markup or (c) Recovery based on Fair Value as on grant date (in case of ESOP) or (d) as per the prevailing transfer pricing practice being followed and validated by external consultant.
- (iv) Justification and Rationale : Currently, the CLG Business Undertaking is being carried on as a part of the business of the Transferor Company and will continue to be carried on by the Transferor Company till the Effective Date. The CLG Business Undertaking and Residual Business of the Transferor Company would have certain inter-dependencies and, therefore, to ensure continuity of the operations, the Transferor Company and Transferee Company 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, for which appropriate contracts will be entered into between the Transferor Company and the Transferee Company prior to the Effective Date. This will enable both Companies to take benefit of economies of scale and cost efficiency.

**B. Treatment of Employee Stock Options and adoption of Employee Stock Options Scheme**

Treatment of options granted by the Transferor Company to the employees which are being transferred to Transferee Company as a part of CLG Business Undertaking and compliances required to be undertaken by the Transferee Company in relation to employee stock options as set forth in the Scheme is reproduced below for ease of reference:

*“Upon the coming into effect of the Scheme, the treatment of the options granted by the Transferor Company prior to the Effective Date, shall be as under:*

- (a) The Transferee Company shall adopt the Existing ESOP Scheme of the Transferor Company, as amended in accordance with the variations mentioned in sub-clauses (e) and (f) below (the Existing ESOP Scheme as amended in terms of sub-clauses (e) and (f) as may be adopted by the Transferee Company is hereinafter referred to as the “New ESOP Scheme”).*
- (b) The stock options granted 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 shall become employees of the Transferee Company or its subsidiaries pursuant to this Scheme) would continue to be held by such option grantees.*
- (c) 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 as mentioned under Clause 7.1 of the Scheme.*
- (d) The Transferor Company shall be solely responsible for issuance of its shares upon exercise of the stock options granted by it prior to the Effective Date under the Existing ESOP Scheme to the option holders (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). Similarly, the Transferee Company shall also be solely responsible for issuance of its shares upon exercise of the stock options granted by it to the option holders, holding stock options prior to the Effective Date in the Transferor Company, (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) after the Effective Date, under the New ESOP Scheme.*
- (e) The Transferor Company shall take steps to amend the Existing ESOP Scheme in a manner as may be considered appropriate, to enable the continuance of the existing options in the hands of the employees who become employees of the Transferee Company or its subsidiaries. Further, the existing exercise price of the stock options for the option holders in the Transferor Company shall be determined by the Compensation Committee and/or Board of the Transferor Company, consequent to which the exercise price of the stock options of the Transferor Company shall stand adjusted and the balance of the exercise price shall become the exercise price of the stock options to be issued by the Transferee Company for all the existing option holders in both the Transferor Company and the Transferee Company. Such adjustment to the exercise price of stock options shall be the responsibility of the Transferor Company and shall not be less favourable than existing terms of the stock options granted under Existing ESOP Scheme.*
- (f) While granting stock options to the existing option holders in the Transferor Company and the Transferee Company, it shall be the responsibility of the Transferee Company to take into account the period during which the employees held stock options granted by the Transferor Company prior to the issuance of the stock options by the Transferee Company, for determining the vesting dates and exercise dates for stock options granted by the Transferee Company.*
- (g) Approval granted to the Scheme by the shareholders of the Transferor Company shall also deemed to be approval granted for (i) any amendments made to the Existing ESOP Scheme required to give effect to the provisions of the Scheme; and (ii) the New ESOP Scheme as adopted by the Transferee Company.”*

### **C. Corporate Approvals:**

*The clause pertaining to the corporate approval as set out in the Scheme is reproduced below for ease of reference:*

*"Without prejudice to the generality of the above and upon the Scheme becoming effective, the benefits of any and all corporate approvals, statutory approvals as may have already been taken by the Transferor Company:*

- (i) in relation to the CLG Business Undertaking, whether being in the nature of compliances or otherwise and any other approvals as obtained under the Act or SEBI LODR Regulations including but not limited to approvals under Sections 180, 185, 186, 188, 196 and 197 of the Act, shall stand transferred to the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken / complied with by the Transferee Company, by virtue of approval of this Scheme.*
- (ii) in relation to appointment and payment of remuneration to the directors, key managerial personnel or for the purpose of such related party transactions; which are being transferred to the Transferee Company as a part of CLG Business Undertaking, shall stand transferred to the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken / complied with by the Transferee Company, by virtue of approval of this Scheme.*

*Upon the Scheme becoming effective, all the fresh appointments of directors, key managerial personnel (those not covered under this Scheme) and new transaction(s) contemplated to be entered into by the Transferee Company with its related parties shall be done in accordance with the applicable provisions of the Act and other Applicable Laws.*

- D. On September 30, 2022, the Transferor Company had signed definitive agreement to make an investment of USD 2 million in KNOLSKAPE Solutions, PTE LTD, Singapore ("Investment"). This Investment shall form part of CLG Business Undertaking and shall be demerged along with the CLG Business Undertaking to the Transferee Company upon the said scheme being approved and becoming effective.*

### **Inspection of Documents**

- A. In addition to the documents annexed hereto, the electronic copy of following documents will be available for inspection on the respective websites of Transferor and Transferee Company under the link given in the Notice of the Meetings:
  - (a) Copy of the Orders of the Hon'ble National Company Law Tribunal, Chandigarh Bench;
  - (b) Memorandum and Articles of Association of the Transferor Company and the Transferee Company;
  - (c) Audited Standalone and Consolidated Financial Statements of the Transferor Company for the financial year ended March 31, 2022;
  - (d) Audited Standalone Financial Statements of the Transferee Company for the financial year ended March 31, 2022;
  - (e) Copy of the Scheme;
  - (f) Copy of the extract of the board resolution dated January 28, 2022, of the Transferor Company and the Transferee Company approving the Scheme;
  - (g) Certificates of the Statutory Auditors of the Transferor Company and of the Transferee Company confirming that the accounting treatment prescribed under the Scheme is in compliance with Section 133 of the Act and applicable accounting standards;
  - (h) Copy of the Valuation Report dated January 28, 2022, issued by Ms. Drushti R. Desai, Bansi S. Mehta & Co. read with report dated September 21, 2022;
  - (i) Copy of the Fairness Opinion dated January 28, 2022, issued by Corporate Professionals Capital Private Limited, SEBI Registered Merchant Banker;
  - (j) Copy of the Report adopted by the Board of Directors of the Transferor Company at its meeting held on January 28, 2022, pursuant to Section 232 (2) (c) of the Act;

- (k) Copy of the Report adopted by the Board of Directors of the Transferee Company at its meeting held on January 28, 2022, pursuant to Section 232 (2) (c) of the Act;
  - (l) Copy of the Observation Letters issued by BSE and NSE dated May 30, 2022 and May 31, 2022 respectively;
  - (m) Copy of the Complaint Reports as submitted by the Transferor Company with the NSE and BSE;
  - (n) Report of the Audit Committee of the Transferor Company recommending the Scheme;
  - (o) Abridged Prospectus of the Transferee Company in compliance with SEBI Master Circular; and
  - (p) Certificate on the accuracy and adequacy of information in Abridged Prospectus.
- B. Contracts or agreements material to the Scheme will be available at the registered office of the Transferor Company from the date of circulation of this Notice up to the date of Meeting.

Considering the rationale and benefits, in the opinion of the Board of the Companies, the Scheme will be of advantage to, beneficial and in the interest of the Transferor Company and Transferee Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of the Transferor Company recommend the Scheme for approval of the shareholders, Secured and Unsecured Creditors of the Transferor Company.

The Directors and KMPs, as applicable, of the Transferor Company, and their relatives do not have any concern or interest, financially or otherwise, in the Scheme except as shareholders in general.

For **NIIT Limited**

Sd/-

Deepak Bansal

Company Secretary

Membership No. ACS 11579

Place : Gurugram  
Date : October 8, 2022

Registered Office:  
Plot No. 85, Sector 32,  
Institutional Area,  
Gurugram-122001 (Haryana)  
CIN: L74899DL1981PLC015865  
Website: [www.niit.com](http://www.niit.com)  
E-mail: [investors@niit.com](mailto:investors@niit.com)  
Tel: +91 124 429 3000  
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**COMPOSITE SCHEME OF ARRANGEMENT**  
**UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013**  
**BETWEEN**  
**NIIT LIMITED: TRANSFEROR COMPANY**  
**AND**  
**NIIT LEARNING SYSTEMS LIMITED: TRANSFEREE COMPANY**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS**  
**AND**  
**THEIR RESPECTIVE CREDITORS**



1 | Page



**PART I**

**INTRODUCTION, DEFINITIONS AND INTERPRETATION**

**1. INTRODUCTION, DEFINITIONS AND INTERPRETATION**

**1.1 Introduction**

**1.1.1 NIIT LIMITED**

- (i) NIIT Limited (hereinafter referred to as "NIIT" or "Transferor Company") is a public company incorporated under the Companies Act, 1956 on December 2, 1981. The registered office of the Transferor Company is situated at Plot No.85, Sector-32, Institutional Area, Gurugram 122001 (Haryana).
- (ii) The shares of the Transferor Company are, at present, listed on National Stock Exchange of India Limited and BSE Limited.
- (iii) The main objects of the Transferor Company as per its memorandum of association are as follows:
  - 1) *To carry on the business of rendering management services like staff and management recruitment, skill development, training and placements, technical analysis of data, electronic data processing and to establish and render all consultancy and other professional services of professional and technical nature.*
  - 2) *To run and conduct bureau for computer services and in particular to develop, design, programme, conduct feasibility studies and also to acquire and agency for computers, their repair, maintenance and installation.*
  - 3) *To print, publish, distribute, import, export, sell, buy or otherwise deal in research reports, newsletters, books, pamphlets and other related publications relating to computers and electronics in general.*
  - 4) *To carry on the business of providing and supply of end-to-end Information Technology Solutions, including turnkey solutions, including systems integration of software, computers, peripherals, networking and communication components, cabling, power supply equipment, appropriate fixtures, metering and monitoring devices, conventional and broad-band wireless, wireline and optical communications equipment and to undertake all other related activities.*
  - 5) *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.*
- (iv) The Transferor Company is a leading global talent development corporation that is engaged in building skilled human capital and enhancing workforce talent worldwide. The Transferor Company which helped the nascent IT industry overcome its human resource



challenges, today ranks among the world's leading training companies. With a footprint in over 30 countries, the Transferor Company offers training and development solutions to enterprises and individuals through its two businesses- Corporate Learning Group ("CLG") and Skills & Careers Group ("SNC"). A brief on the activities being carried out by the two businesses is provided hereunder:

- (a) **CLG:** This business 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.
- (b) **SNC:** This business offers a diverse range of training programs, certifications and solutions to career seekers and working professionals. Its offerings include software and product engineering, data sciences & analytics, cloud computing, cybersecurity, banking, insurance & finance, digital marketing, content design, UI/UX, project/product/program management, sales & service excellence, professional life skills, business process excellence, and multi-sectoral vocational & professional skills. SNC offers these programs predominantly in India and emerging economies. The programs are delivered through robust digital and hybrid learning models which connect corporate and individual learners seamlessly. With its comprehensive set of offerings, SNC helps in building multi-skilled full stack professionals at scale.

### 1.1.2 NIIT LEARNING SYSTEMS LIMITED

- (i) NIIT Learning Systems Limited (formerly known as Mindchampion Learning Systems Limited) (hereinafter referred to as "**Transferee Company**") is a public company incorporated under the Companies Act, 1956 on July 16, 2001. The registered office of the Transferee Company is situated at Plot No.85, Sector-32, Institutional Area, Gurugram - 122001 (Haryana).
- (ii) The shares of the Transferee Company are not listed on Stock Exchanges.
- (iii) The main objects of the Transferee Company as per its memorandum of association are as follows:
- 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 curricula 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 project to 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 broad-band wireless, wireline and optical communications equipment and to undertake all other related activities.*
- (iv) The Transferee Company is a wholly owned subsidiary of the Transferor Company.
- (v) The Transferee Company is 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 Transferee 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.

### 1.1.3 OVERVIEW OF THE SCHEME

This composite scheme of arrangement amongst the Transferor Company and the Transferee Company and their respective shareholders and creditors is presented under Sections 230 to 232 and other applicable provisions of the Act (*as defined hereinafter*) for transfer and vesting of the CLG Business Undertaking from the Transferor Company to the Transferee Company, reduction of the equity share capital and securities premium of the Transferee Company and other related matters. This Scheme provides for, simultaneously, the following:

- (a) reduction of the existing paid up share capital and the securities premium against the accumulated losses of the Transferee Company without any further act and deed, with the approval of the NCLT in terms of Section 66 of the Act as elaborated in Part III of the Scheme;
- (b) 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 relevant provisions of the Act in the manner provided for in the Scheme and in compliance with Section 2(19AA) of IT Act as elaborated in Part IV of the Scheme;
- (c) re-organization of the authorized share capital of the Transferee Company as elaborated in Part V of the Scheme; and



- (d) listing of the share capital of the Transferee Company, consisting of the fully paid-up equity shares of the Transferee Company issued as consideration in terms of Clause 7 of this Scheme to the shareholders of the Transferor Company, on the National Stock Exchange of India Limited and the BSE Limited (Stock Exchanges) after the Scheme becomes effective in accordance with the provisions of the SEBI Circular, as elaborated in Part VI of the Scheme; and
- (e) various other matters consequential or otherwise integrally connected therewith.

#### 1.1.4 RATIONALE OF THE SCHEME

- (a) The transfer and vesting of the CLG Business Undertaking into the Transferee Company pursuant to this 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, 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 rationalise its capital structure.



1.1.5 The Scheme is divided into seven parts:

- (a) **Part I** sets-forth the Introduction, Definitions and Interpretation;
- (b) **Part II** sets-forth the capital structure of the Transferee Company and the Transferor Company;
- (c) **Part III** deals with the reduction of the share capital and securities premium to be undertaken by the Transferee Company;
- (d) **Part IV** deals with the transfer and vesting of the CLG Business Undertaking into the Transferee Company, in accordance with Sections 230 to 232 of the Act;
- (e) **Part V** deals with reorganization of capital of the Transferee Company pursuant to and in terms of this Scheme;
- (f) **Part VI** deals with consideration, accounting and tax treatments in the Financial Statements of the Transferor Company and the Transferee Company pursuant to the transfer and vesting of the CLG Business Undertaking into the Transferee Company in terms of this Scheme; and
- (g) **Part VII** deals with general/residuary terms and conditions.

## 1.2 DEFINITIONS

- 1.2.1 “**Act**” means the Companies Act, 2013 and the rules made thereunder, and includes any alterations, modifications and amendments made thereto and/or any re-enactment thereof;
- 1.2.2 “**Applicable Law(s)**” means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, approval from the concerned authority, Governmental Authority resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any concerned authority having jurisdiction over the matter in question;
- 1.2.3 “**Appointed Date**” means April 1, 2022 or such other date as may be approved by NCLT;
- 1.2.4 “**Board of Directors**”/ “**Board**” in relation to the Transferor Company and/or the Transferee Company, as the case may be, shall, unless it be repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee as may be constituted by the board of directors;
- 1.2.5 “**Clause**” and “**sub-Clause**” means the relevant clauses and sub-clauses set out in this Scheme;
- 1.2.6 “**CLG Business**” means the business of the Transferor Company as defined in Clause 1.1.1 (iv)(a);
- 1.2.7 “**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.

Any question or doubts that may arise as to whether a specified asset or liability pertains to or does not pertain to the CLG Business or whether it arises out of the activities or operations or is to be included in the CLG Business shall be decided by mutual agreement between the Board of Directors of the Transferor Company and the Transferee Company.

- 1.2.8 **"Compensation Committee"** means the Nomination & Remuneration Committee (or any other committee by whatever name called) constituted by the board of directors of a company for administration and superintendence of its employee stock option schemes in accordance with the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- 1.2.9 **"Effective Date"** means the date on which the Scheme shall become effective pursuant to Clause 12 of this Scheme. Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" or "after this Scheme becomes effective" means and refers to the Effective Date;
- 1.2.10 **"Existing ESOP Scheme"** means the NIIT Employee Stock Option Plan 2005 established by the Transferor Company under Applicable Laws and as per the approval granted by the shareholders by special resolutions through postal ballot on May 18, 2005, as amended from time to time;
- 1.2.11 **"Financial Statements"** would include standalone and consolidated accounts, as applicable;
- 1.2.12 **"Governmental Authority"** means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof;
- 1.2.13 **"IT Act"** means the Income Tax Act, 1961;



- 1.2.14 **"New ESOP Scheme"** shall have the meaning ascribed to it under Clause 4.5.5(a);
- 1.2.15 **"Record Date"** means, the date to be fixed by the respective Board of the Transferor Company and the Transferee Company for the purpose of determining the shareholders of the Transferor Company to whom shares will be allotted pursuant to Clause 7 of this Scheme;
- 1.2.16 **"Residual Business"** means all the undertakings, businesses, activities and operations of the Transferor Company other than the CLG Business Undertaking, including but not limited to the SNC Business;
- 1.2.17 **"SEBI"** means the Securities and Exchange Board of India;
- 1.2.18 **"SEBI Circular"** means Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Rule 19(7) of the Securities Contracts (Regulation) Rules, 1957, as amended from time to time or any other circular issued by SEBI applicable to schemes of arrangement, from time to time;
- 1.2.19 **"SEBI LODR"** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;
- 1.2.20 **"SNC Business"** means the business of the Transferor Company as defined in Clause 1.1.1(iv)(b);
- 1.2.21 **"Scheme"** or **"the Scheme"** or **"this Scheme"** means this Composite Scheme of Arrangement in its present form (along with any annexures, schedules, etc., annexed/attached hereto), with such modifications and amendments as may be made from time to time, and with appropriate approvals and sanctions of the NCLT and other relevant regulatory authorities, as may be required under the Act, as applicable, and under all other Applicable Laws;
- 1.2.22 **"Step-Down Subsidiaries"** means such step-down subsidiaries (including their respective branch offices) of the Transferor Company as set out in Schedule II;
- 1.2.23 **"Stock Exchanges"** means National Stock Exchange of India Limited and BSE Limited;
- 1.2.24 **"Subsidiaries"** means such subsidiaries (including their respective branch offices) of the Transferor Company as set out in Schedule I;
- 1.2.25 **"Subsidiary Company Schedule"** means Schedule I of this Scheme;
- 1.2.26 **"Step-Down Subsidiary Company Schedule"** means Schedule II of this Scheme;
- 1.2.27 **"Transferee Company"** means NIIT Learning Systems Limited, as defined in Clause 1.1.2 above;
- 1.2.28 **"Transferor Company"** means NIIT Limited, as defined in Clause 1.1.1 above, and
- 1.2.29 **"Valuation Report"** means the valuer report on the share entitlement ratio dated January 28, 2022, issued by Ms. Drushti R. Desai, Bansil S. Mehta & Co.

### 1.3 INTERPRETATION

- 1.3.1 The terms "hereof", "herein", "hereby", "hereto" and derivative or similar words used in this Scheme refers to this entire Scheme.





- 1.3.2 The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made there under), the Depositories Act, 1996 and other Applicable Laws, rules, regulations, guidelines, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.

**1.4 DATE OF TAKING EFFECT AND OPERATIVE DATE**

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT shall be deemed to be effective from the Appointed Date but shall be operative only from the Effective Date.



**PART II**  
**SHARE CAPITAL STRUCTURE**

**2. CAPITAL STRUCTURE**

2.1 The share capital of the Transferor Company as on March 31, 2021 was as under:

Share Capital	Amount in Indian Rupees
<b>Authorized Capital</b>	
41,10,00,000 equity shares of INR. 2/- each	82,20,00,000
25,00,00,000 redeemable preference shares of INR. 100/- each	25,00,00,000
35,00,00,000, 8.5% cumulative redeemable preference shares of INR. 1/- each	35,00,00,000
<b>Total</b>	<b>1,42,20,00,000</b>
<b>Issued share capital</b>	
14,23,50,984* equity shares of INR. 2/- each	28,47,01,968
<b>Subscribed and paid-up share capital</b>	
14,23,44,984 equity shares of INR. 2 each	<b>28,46,89,968</b>

\*includes 6000 equity shares forfeited amounting to INR.12,000

- 2.2 As on May 6, 2021, the Transferor Company has bought back 98,75,000 equity shares by way of tender offer through the stock exchange mechanism in accordance with the provisions of Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, the Act and rules made thereunder. Further, since April 1, 2021, the Transferor Company has issued 12,69,397 equity shares of INR. 2/- each which were allotted against stock options exercised by employees of the Transferor Company under the Existing ESOP Scheme.
- 2.3 The share capital of the Transferor Company as on January 28, 2022, pursuant to the aforementioned transactions is as follows:

Share Capital	Amount in Indian Rupees
<b>Authorized Capital</b>	
41,10,00,000 equity shares of INR. 2/- each	82, 20,00,000



11 | Page

25,00,000 redeemable preference shares of INR. 100/- each	25,00,00,000
35,00,00,000, 8.5% cumulative redeemable preference shares of INR. 1/- each	35,00,00,000
<b>Total</b>	<b>1,42,20,00,000</b>
<b>Issued share capital</b>	
13,37,45,381* equity shares of INR. 2/- each	26,74,90,762
<b>Subscribed and paid-up share capital</b>	
13,37,39,381 equity shares of INR. 2/- each	26,74,78,762

\*includes 6000 equity shares forfeited amounting to INR. 12,000

- 2.4 The share capital of the Transferee Company as on March 31, 2021 was as under:

Share Capital	Amount in Indian Rupees
<b>Authorized Capital</b>	
12,00,00,000 equity shares of INR. 10/-	120,00,00,000
<b>Total</b>	<b>120,00,00,000</b>
<b>Issued, Subscribed and paid-up</b>	
11,55,64,072 equity shares of INR. 10/-	115,56,40,720
<b>Total</b>	<b>115,56,40,720</b>

- 2.5 There has been no change in the capital structure of the Transferee Company since March 31, 2021.



PART III  
REDUCTION OF SHARE CAPITAL

3. **Reduction of share capital of the Transferee Company**
- 3.1 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. 115,56,40,720 (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.
- 3.2 The aforesaid capital reduction of the paid up equity share capital and the securities premium of the Transferee Company shall have no effect on the authorised share capital of the Transferee Company.
- 3.3 Upon the Scheme becoming effective, the capital reduction as herein above, shall be effected as an integral part of this Scheme itself, without having to separately follow the provisions of Section 66 read with other applicable provisions of the Act and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under Section 66 of the Act confirming the said capital reduction and cancellation.
- 3.4 The capital reduction as envisaged under this clause shall be effected by suitably adjusting the negative balance of the reserves of the Transferee Company. Pursuant to the capital reduction, there shall be no outflow of or payout of any funds from the Transferee Company and hence, the interest of the shareholders/ creditors shall not be affected. Further this capital reduction shall not, in any way, result into extinguishment of any liability or diminution of any liability in respect of unpaid share capital or the payment to any shareholder of any paid-up share capital.
- 3.5 The said capital reduction shall not have any adverse impact on the operations of the Transferee Company or the ability of the Transferee Company to honour its commitment or to pay its debts in the ordinary course of business. Further the said capital reduction does not in any manner alter, vary or affect the payment of any dues or outstanding amounts including all or any of the statutory dues payable or outstanding.
- 3.6 Notwithstanding the capital reduction in pursuance to this Scheme and subject to the orders of the NCLT, the Transferee Company shall not be required to add the words "And Reduced" as a suffix.



**PART IV**

**TRANSFER AND VESTING OF THE CLG BUSINESS UNDERTAKING OF THE  
TRANSFEROR COMPANY TO AND IN THE TRANSFEEE COMPANY**

**4. TRANSFER AND VESTING**

4.1 Upon this Scheme becoming effective, and with effect from the Appointed Date, the CLG Business Undertaking, together with all its rights, benefits, interests and obligations therein, shall, in accordance with Section 2(19AA) of the IT Act and Sections 230 to 232 and other applicable provisions of the Act without any further act, instrument or deed, stand transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company, as a going concern, and shall become the property of and an integral part of the Transferee Company.

**4.2 TRANSFER OF ASSETS**

4.2.1 Upon this Scheme becoming effective, and with effect from the Appointed Date:

- (i) All the Assets of the CLG Business Undertaking that are movable, in nature or incorporeal property or are otherwise capable of transfer by manual or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, shall stand vested in the Transferee Company and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual or constructive delivery or by endorsement and delivery or by vesting and recordal, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly.
- (ii) All the Assets of the CLG Business Undertaking that are movable properties other than those described under sub-clause (i) above, including but not limited to trade investment, investments in companies, associate companies, fellow subsidiaries, joint ventures and non-current investments, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Governmental Authority, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Transferee Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. It is clarified that upon the Scheme becoming effective, the Subsidiaries set out in Subsidiary Company Schedule and Step-Down Subsidiary Company Schedule shall cease to be Subsidiaries of the Transferor Company and shall become subsidiaries (including step-down subsidiaries) of the Transferee Company.
- (iii) All the Assets of the CLG Business Undertaking that are immovable properties, if any, including land together with the buildings and structures standing thereon, whether freehold, leasehold, licensed or otherwise held by the Transferor Company, and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to and shall exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation



or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities, pursuant to the sanction of this Scheme by the NCLT in accordance with the terms hereof.

- (iv) Without prejudice to the generality of the foregoing, all estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Transferor Company for or in relation to the CLG Business Undertaking shall be deemed to have been accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon this Scheme becoming effective, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Transferee Company.
- (v) All the Intellectual Property currently being used, primarily or solely, by the CLG Business Undertaking as set out in Schedule III, 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, 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, in perpetuity from the Appointed Date, in accordance with such terms and conditions as may be mutually agreed.
- (vi) All the intellectual property other than those set out in sub-clause (v) 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 sub-clause (v) 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.
- (vii) 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.



- (viii) The Transferee Company shall, at any time after the Effective Date and as the successor entity of the Transferor Company, in relation to the CLG Business Undertaking, if so required under any Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the CLG Business Undertaking, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions hereof, be deemed to be authorised to execute any such writings in the name of and on behalf of the Transferor Company in relation to the CLG Business Undertaking and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company, *inter alia*, in its capacity as the successor-in-interest of the Transferor Company in relation to the CLG Business Undertaking.
- (ix) The past track record of the Transferor Company relating to the CLG Business Undertaking, including without limitation, the profitability, production volumes, experience, credentials and market share, shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes including for the purpose of eligibility, standing, evaluation and participation of the Transferee Company in all existing and future bids, tenders and contracts of all authorities, agencies and clients.
- (x) All the Licenses of the CLG Business Undertaking shall stand transferred to and vested in the Transferee Company. Any other 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, 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.

#### 4.3 TRANSFER OF LIABILITIES

Upon this Scheme becoming effective, and with effect from the Appointed Date:

- (i) All the Liabilities of the CLG Business Undertaking shall without any further act, instrument or deed, become the liability of the Transferee Company and shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company, as the case may be, and the Transferee Company shall be liable to meet, discharge and satisfy the same in accordance with its terms. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities duties and obligations have arisen in order to give effect to the provisions of this sub-clause.



- (ii) The existing security (including guarantee) or charge, if any, in favor of the secured creditors shall remain unaffected and shall continue to remain valid and in full force and effect even after the transfer of the CLG Business Undertaking from the Transferor Company to the Transferee Company. Restructuring of all such security or charge and reallocation of existing credit facilities granted by the secured creditors shall be given effect to only with the mutual consent of the concerned secured creditors and the Board of Directors of the Transferor Company and the Transferee Company.

It is hereby clarified that if any existing security in respect of any part of the abovementioned Liabilities extends wholly or in part over the assets of the Residual Business, then the Transferee Company shall create adequate security in respect of such part of the abovementioned Liabilities over the assets of the CLG Business Undertaking to the satisfaction of the lenders and upon creation of such security, the assets of the Residual Business shall be released and discharged from such encumbrance. Further, if any security or charge exists on the assets comprising the CLG Business Undertaking in respect of the loans and liabilities which have not been transferred to the Transferee Company pursuant to this Scheme, the Transferor Company shall create adequate security over the assets of the Residual Business to the satisfaction of the lenders and upon creation of such security, the assets of the CLG Business Undertaking shall be released and discharged from such encumbrance.

It is further clarified that all guarantees provided by the Transferor Company for its activities (including for and on behalf of the Subsidiaries and the Step-Down Subsidiaries) forming a part of the CLG Business Undertaking shall stand transferred to the Transferee Company. The Transferor Company and the Transferee Company shall undertake all necessary compliances prescribed under the relevant contracts, deed or other documents under which such guarantee obligations have arisen and/or Applicable Law, to effectuate such transfers/assignment.

- (iii) All cheques and other negotiable instruments, payment orders, and electronic fund transfers (like NEFT, RTGS, etc.) received in the name of the Transferor Company pertaining to the CLG Business Undertaking after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company.

#### 4.4 TRANSFER OF CONTRACTS

4.4.1 Upon this Scheme becoming effective, and with effect from the Appointed Date:

- (i) All the Contracts of the CLG Business Undertaking, including but not limited to contracts/ purchase orders with customers and vendors, and all contracts (including contracts pending for renewal or for fresh allocation of capacity), deeds, bonds, lease deeds, agreements entered into with various persons including independent consultants, Subsidiaries/ Step-Down Subsidiaries, associate/ joint venture companies and other shareholders of such Subsidiaries/ Step-Down Subsidiaries, associate/ joint venture companies, arrangements and other instruments of whatsoever nature, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.





- (ii) Any contract of the Transferor Company relating to or benefiting at present the Residual Business and the CLG Business Undertaking, shall be deemed to constitute separate contracts, thereby relating to and/or benefiting the Transferor Company and the Transferee Company.
- (iii) It is hereby clarified that if any Contracts in relation to the CLG Business Undertaking to which the Transferor Company is a party to, cannot be transferred to the Transferee Company for any reason whatsoever, the Transferor Company shall hold such contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Transferee Company insofar as it is permissible so to do, till such time the transfer is effected.

4.4.2 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds, confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Transferor Company will, if reasonably necessary, also be a party to the above. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

#### 4.5 TRANSFER OF EMPLOYEES

- 4.5.1 Upon this Scheme becoming effective, all the Employees shall be deemed to be transferred to and engaged by the Transferee Company with effect from the Appointed Date or their respective joining date, whichever is later, without any interruption of service and on the basis of continuity of service, and on such terms and conditions as are no less favorable than those on which they are currently engaged by the Transferor Company. The services of such Employees with the Transferor Company up to the Effective Date shall be taken into account for the purposes of all benefits and continuity to which, if any, such Employees may be eligible under Applicable Law.
- 4.5.2 Upon this Scheme becoming effective and with effect from Appointed Date, all contributions including any provisions created therefor, to provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, or any other special scheme or, to tax benefits (including medical, pension and leave travel allowance) or any other benefits created or existing exclusively for the benefit of the Employees, if any, upon this Scheme becoming effective, shall be made by the Transferee Company in accordance with the provisions of such schemes or funds and Applicable Law. In relation to the Employees, for whom the Transferor Company is making contributions to the employee state insurance corporation, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with provisions of such fund, by laws, etc. in respect to such Employees.
- 4.5.3 In relation to the provident fund contributions being made for the Employees by the Transferor Company to 'NIIT Limited Employees' Provident Fund Trust' upon this Scheme becoming effective, the Transferee Company shall make contributions for such Employees on the same terms and conditions to the employee provident fund maintained with the Regional Provident Fund Office in terms of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The existing accumulations in the 'NIIT Limited Employees' Provident Fund Trust' pertaining to the Employees shall be continued on the same terms and conditions and shall be transferred to the employee



provident fund maintained with the Regional Provident Fund Office in accordance with Applicable Law.

- 4.5.4 The existing accumulations under employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme or benefits of the Transferor Company pertaining to the Employees shall be continued on the same terms and conditions and shall be transferred to, the employees' state insurance corporation, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Transferee Company or as may be created by the Transferee Company for such purpose, in accordance with Applicable Law. Pending such transfer, the contributions required to be made in respect of the Employees shall continue to be made by the Transferee Company to the existing funds maintained by the Transferor Company.

#### 4.5.5 Employee Stock Options

Upon the coming into effect of the Scheme, the treatment of the options granted by the Transferor Company prior to the Effective Date, shall be as under:

- (a) The Transferee Company shall adopt the Existing ESOP Scheme of the Transferor Company, as amended in accordance with the variations mentioned in sub-clauses (e) and (f) below (the Existing ESOP Scheme as amended in terms of sub-clauses (e) and (f) as may be adopted by the Transferee Company is hereinafter referred to as the "New ESOP Scheme").
- (b) The stock options granted 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 shall become employees of the Transferee Company or its subsidiaries pursuant to this Scheme) would continue to be held by such option grantees.
- (c) 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 as mentioned under Clause 7.1 of this Scheme.
- (d) The Transferor Company shall be solely responsible for issuance of its shares upon exercise of the stock options granted by it prior to the Effective Date under the Existing ESOP Scheme to the option holders (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). Similarly, the Transferee Company shall also be solely responsible for issuance of its shares upon exercise of the stock options granted by it to the option holders, holding stock options prior to the Effective Date in the Transferor Company, (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) after the Effective Date, under the New ESOP Scheme.



- (e) The Transferor Company shall take steps to amend the Existing ESOP Scheme in a manner as may be considered appropriate, to enable the continuance of the existing options in the hands of the employees who become employees of the Transferee Company or its subsidiaries. Further, the existing exercise price of the stock options for the option holders in the Transferor Company shall be determined by the Compensation Committee and/or Board of the Transferor Company, consequent to which the exercise price of the stock options of the Transferor Company shall stand adjusted and the balance of the exercise price shall become the exercise price of the stock options to be issued by the Transferee Company for all the existing option holders in both the Transferor Company and the Transferee Company. Such adjustment to the exercise price of stock options shall be the responsibility of the Transferor Company and shall not be less favourable than existing terms of the stock options granted under Existing ESOP Scheme.
- (f) While granting stock options to the existing option holders in the Transferor Company and the Transferee Company, it shall be the responsibility of the Transferee Company to take into account the period during which the employees held stock options granted by the Transferor Company prior to the issuance of the stock options by the Transferee Company, for determining the vesting dates and exercise dates for stock options granted by the Transferee Company.
- (g) Approval granted to the Scheme by the shareholders of the Transferor Company shall also deemed to be approval granted for (i) any amendments made to the Existing ESOP Scheme required to give effect to the provisions of the Scheme; and (ii) the New ESOP Scheme as adopted by the Transferee Company.

#### 4.6 CONTINUATION OF LEGAL PROCEEDINGS

- 4.6.1 Upon this Scheme becoming effective, and with effect from the Appointed Date, the Transferee Company shall be entitled to the benefits and shall bear the burdens of any legal or other proceedings to the extent specifically relating to the CLG Business Undertaking, initiated by or against the Transferor Company. If any suit, appeal or other proceedings to the extent specifically relating to the CLG Business Undertaking initiated by or against the Transferor Company is pending, the same shall not be abated, be discontinued or in any way be prejudicially affected by reason of this Scheme and the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Transferor Company, if this Scheme had not been effected.
- 4.6.2 All costs and expenses incurred, and payments made, by the Transferor Company in respect of any proceedings initiated by or against the Transferor Company after the Appointed Date to the extent relating to the CLG Business Undertaking shall be reimbursed by the Transferee Company upon submission by the Transferor Company to the Transferee Company of documents evidencing that the Transferor Company has, incurred such costs and expenses or made such payments. The Transferee Company shall file necessary application for transfer of all pending suit/appeal or other proceedings of whatsoever nature relating to the CLG Business Undertaking.

#### 4.7 TAXATION MATTERS

- 4.7.1 Upon this Scheme becoming effective, and with effect from the Appointed Date all rights, obligations, benefits available under any direct and indirect taxes, including tax incentives, advantages, privileges, exemptions, entitlements, credits (including, but not limited to, credits in



respect of income tax, including carry forward tax losses, unabsorbed depreciation, closing balance of input tax credit, value added tax, turnover tax, central sales tax, excise duty, goods and services tax, security transaction tax, minimum alternate tax and duty entitlement credit certificates), holidays, remissions, reductions, etc., sales tax benefits/exemptions, service tax credit, stamp duty benefits and exemptions which may be obtained by the Transferor Company or which the Transferor Company is entitled to or which are or may be available to the Transferor Company in respect of the CLG Business Undertaking shall, pursuant to the sanction of this Scheme, be available to the Transferee Company on and as is where is/going concern basis. The Transferor Company shall undertake all necessary compliances prescribed under Applicable Laws to effectuate transfer of credits of goods and services tax in relation to the CLG Business Undertaking to the Transferee Company. It is hereby clarified that any tax related liabilities/benefits, arising out of or in connection with an event occurring prior to the Appointed Date, even when the same may arise and/or accrue subsequent to the Appointed Date, shall, subject to and in accordance with applicable direct and indirect tax laws, continue to be liabilities/benefits of the Transferor Company.

#### 4.8 BENEFIT OF STATUTORY/CORPORATE APPROVALS

- 4.8.1 Without prejudice to the generality of the above and upon the Scheme becoming effective, the benefits of any and all corporate approvals, statutory approvals as may have already been taken by the Transferor Company:
- (a) in relation to the CLG Business Undertaking, whether being in the nature of compliances or otherwise and any other approvals as obtained under the Act or SEBI LODR Regulations including but not limited to approvals under Sections 180, 185, 186, 188, 196 and 197 of the Act, shall stand transferred to the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken / complied with by the Transferee Company, by virtue of approval of this Scheme.
  - (b) in relation to appointment and payment of remuneration to the directors, key managerial personnel or for the purpose of such related party transactions; which are being transferred to the Transferee Company as a part of CLG Business Undertaking, shall stand transferred to the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken / complied with by the Transferee Company, by virtue of approval of this Scheme.
- 4.8.2 Upon the Scheme becoming effective, all the fresh appointments of directors, key managerial personnel (those not covered under this Scheme) and new transaction(s) contemplated to be entered into by the Transferee Company with its related parties shall be done in accordance with the applicable provisions of the Act and other Applicable Laws.
- 4.8.3 The financial commitments of the Transferor Company outside India (including investments in overseas subsidiaries/ joint ventures) which form part of the CLG Business Undertaking, as more particularly set out in Subsidiary Company Schedule and Step-Down Subsidiary Company Schedule ("Financial Commitment") was made by the Transferor Company from time to time, in due compliance with the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004, as in force at the relevant time. Upon the Scheme becoming effective, the Financial Commitment shall stand transferred to and vested in the Transferee Company, and shall become an integral part of the Transferee Company, in accordance with Part IV of the Scheme, and the necessary filings, compliances and/or approvals (if any) in this regard will be made/ sought by the Transferor Company and/or the Transferee Company, as the case may be.



- 4.8.4 Upon the Scheme becoming effective, all the expenditure incurred from the Appointed Date until the Effective Date, in terms of Section 135 of the Act by the Transferor Company, shall stand transferred to the Transferee Company in the proportion to the net profit of the Transferor Company, as may be transferred to the Transferee Company as part of the CLG Business Undertaking.
- 4.8.5 Upon the Scheme becoming effective, all the incentives, subsidies, special status, and other benefits or privileges enjoyed, granted by any Governmental Authority, local authority, or by any other person, or availed by the Transferor Company, in relation to the CLG Business Undertaking, shall vest with and be available to the Transferee Company on the same terms and conditions.

#### 4.9 CONDUCT OF BUSINESS

With effect from the Appointed Date and until occurrence of the Effective Date:

- (i) the Transferor Company undertakes to carry on and shall be deemed to have carried on all its business activities of the CLG Business Undertaking and stand possessed of the properties and assets of the CLG Business Undertaking, for and on account of and in trust for the Transferee Company; and
- (ii) all profits or income accruing to or received by the Transferor Company, out of the CLG Business Undertaking and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, fringe benefit tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, etc.) or losses arising in or incurred by the Transferor Company with respect to the CLG Business Undertaking shall, for all purposes, be treated as and deemed to be the profits, losses, income or taxes, as the case may be, of the Transferee Company; and
- (iii) the Transferor Company shall carry on the business of the CLG Business Undertaking with reasonable diligence and business prudence and in a manner consistent with its past practices; and
- (iv) the Transferor Company shall carry on the business of the CLG Business Undertaking, in its ordinary course of business. All the actions taken by the Transferor Company for the CLG Business Undertaking, *inter-alia*, including any income, advances, payments made/collections received, funds or resources deployed or cost incurred, shall be suitably accounted for and recorded by the Transferor Company and the Transferee Company on such terms and conditions as the Board of Directors of the Transferor Company and the Transferee Company may agree upon. Notwithstanding anything contained herein above, it is hereby clarified that no separate corporate approvals, *inter-alia*, under the Act, shall be required to be taken by the Transferor Company for undertaking any of the foregoing actions/transactions pertaining to the CLG Business Undertaking and such actions/transactions shall be deemed to be in compliance with the Act as applicable, by virtue of approval of the Scheme; and
- (v) the Transferor Company shall not, in relation to the CLG Business Undertaking, vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligations undertaken prior to the date of approval of the Scheme by the Board of Directors of the Transferor Company, the terms and conditions of employment of any of its Employees, nor shall it conclude settlement with any union or its Employees except with the written concurrence of the Transferee Company; and



- (vi) the Transferor Company shall not undertake any actions in relation to the CLG Business Undertaking which are not in the ordinary course of business of the CLG Business Undertaking (including undertaking any acquisitions or disposal of Assets which are not in the ordinary course of business), except with the written concurrence of the Board of the Transferor Company and the Transferee Company in compliance with Applicable Laws.

#### 4.10 SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities to, and the continuance of proceedings by or against the Transferee Company, shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Appointed Date, and after Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

- 4.11 Without prejudice to the other provisions of this Scheme, the Transferor Company and/or the Transferee Company, as the case may be, shall, at any time after this Scheme becomes effective in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Transferor Company in relation to the CLG Business Undertaking. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/ endorsement in the name of the Transferee Company upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

#### 4.12 ARRANGEMENTS BETWEEN THE TRANSFEROR COMPANY AND THE TRANSFEE COMPANY, ETC.

- (i) Currently, the CLG Business Undertaking is being carried on as a part of the business of the Transferor Company and will continue to be carried on by the Transferor Company till the Effective Date. The CLG Business Undertaking and Residual Business of the Transferor Company would have certain inter-dependencies and, therefore, to ensure continuity of the operations, the Transferor Company and Transferee Company 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, for which appropriate contracts will be entered into between the Transferor Company and the Transferee Company prior to the Effective Date. In relation to the aforementioned, some of the key business relationships proposed between the Transferor Company and the Transferee Company, which may continue beyond 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.



- (ii) The agreements executed prior to the Effective Date between the Transferor Company and the Transferee Company, shall be subject to the necessary approvals of the Transferor Company and the Transferee Company (as applicable) in accordance with the Act, SEBI LODR and all other applicable provisions of Applicable Law, and such agreements shall be binding on the parties thereto.
- (iii) It is clarified that all guarantees provided by the Transferor Company (including for and on behalf of the Subsidiaries and the Step-Down Subsidiaries) in respect of the CLG Business Undertaking and the Transferor Company shall be valid and subsisting till adequate arrangements/ guarantees have been provided in respect of the same by the Transferee Company.

#### 4.13 RESIDUAL BUSINESS

- (i) The Residual Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Transferor Company.
- (ii) All legal, taxation or other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company which relate to the Residual Business under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Residual Business (including those relating to any property, right, power, liability, obligation or duties of the Transferor Company in respect of the Residual Business) shall be continued and enforced by or against the Transferor Company after the Effective Date. The Transferee Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceeding against the Transferor Company, which relate to the Residual Business.
- (iii) With effect from the Appointed Date and beyond the Effective Date, the Transferor Company:
  - (a) shall be deemed to have been carrying on and to be carrying on all the business and activities relating to the Residual Business for and on its own behalf; and
  - (b) all profits accruing to the Transferor Company thereon or losses arising or incurred by it relating to the Residual Business, shall, for all purposes be treated as the profits or losses, as the case may be, of the Transferor Company.
- (iv) If in relation to any liabilities pertaining to the Residual Business, any lender/ creditor requires any assistance/ support (including provision of any guarantees) from the Transferee Company, the Board of Directors of the Transferor Company and the Transferee Company may mutually discuss and agree upon the assistance, support and cooperation as requested for by such lenders/ creditors of the Transferor Company.



**PART V**

**REORGANISATION OF SHARE CAPITAL OF THE TRANSFEREE COMPANY**

**5. REORGANISATION OF SHARE CAPITAL**

- 5.1 Upon this Scheme becoming effective, as an integral part of the Scheme, but prior to issuance and allotment of shares of the Transferee Company under Clause 7, the authorised share capital of the Transferee Company shall be reclassified/reorganised 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. 120,00,00,000 (Rupees One Hundred Twenty Crores), without any further act or deed.
- 5.2 The above reorganization of capital would be carried out by reducing appropriately the face value of each equity share of INR. 10/- each and reorganising the same into 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), without any further act or deed.
- 5.3 It is hereby clarified that for the purposes of effecting the aforementioned amendments, the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be sufficient and that no further resolution under Section 13, Section 61 or any other applicable provisions of the Act, would be required to be separately passed.
- 5.4 Upon this Scheme becoming effective, the Transferee Company shall, as required under any Applicable Law or otherwise, undertake appropriate filings with the regulatory authorities or any other action or deed, in order to give formal effect to the above provisions.

**6. ALTERATION OF MEMORANDUM OF ASSOCIATION**

- 6.1 Pursuant to reorganization of the share capital of the Transferee Company in accordance with Clause 5 above, the memorandum of association of the Transferee Company, shall, without any further act or deed, be and stand altered, modified and amended such that Clause V in the memorandum of association shall stand substituted to read as follows:
- "V. The Authorized Share Capital of the Company is Rs. 120,00,00,000 (Rupees One Hundred Twenty Crores) divided into 60,00,00,000 equity shares of Rs. 2 (Rupees Two) each."*
- 6.2 The stamp duty or filing fees paid on the authorized share capital of the Transferee Company are permitted to be utilized and applied towards the changes in the authorized share capital of the Transferee Company in accordance with this Clause 6.1 above, and no further demand of additional stamp duty or fee shall be raised or made upon the Transferee Company by any regulatory authorities in relation to such increase in the authorized share capital of the Transferee Company, including by the Registrar of Companies, National Capital Territory of Delhi and Haryana.
- 6.3 It is hereby clarified that for the purposes of effecting the aforementioned amendments, the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and that no further resolution under Section 13, Section 61 or any other applicable provisions of the Act, would be required to be separately passed.





## PART VI

**CONSIDERATION, ACCOUNTING TREATMENT AND TAX TREATMENT OF THE  
TRANSFEROR COMPANY AND THE TRANSFEREE COMPANY**
**7. CONSIDERATION**

- 7.1 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 this 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”.*

- 7.2 The equity shares to be issued by the Transferee Company shall be issued in dematerialized form to those shareholders who hold shares of the Transferor Company in dematerialized form, into the account in which shares of the Transferor Company are held or such other account as is intimated in writing by the shareholders to the Transferor Company and/ or its registrar provided such intimation has been received by the Transferor Company and/or its registrar at least 7 (seven) days before the Record Date. All those shareholders who hold shares of the Transferor Company in physical form shall also receive the equity shares to be issued by the Transferee Company, in dematerialized form provided the details of their account with the depository participant are intimated in writing to the Transferor Company and/ or its registrar provided such intimation has been received by the Transferor Company and/or its registrar at least 7 (seven) days before the Record Date. If no such intimation is received from any shareholder who holds shares of the Transferor Company in physical form 7 (seven) days before the Record Date, or if the details furnished by any shareholder do not permit electronic credit of the shares of the Transferee Company, then the Transferee Company shall open an escrow demat account with a depository participant to keep such shares in abeyance / in such escrow demat account and will credit the same to the respective demat account(s) of such shareholders as and when the details of such shareholder's account with the depository participant are intimated in writing by the shareholders to the Transferee Company and/or its registrar.
- 7.3 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on Record Date, in order to remove any difficulties, after the effectiveness of this Scheme.
- 7.4 The equity shares to be issued by the Transferee Company, pursuant to Clause 7.1 above, in respect of any equity shares of the Transferor Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of any court or otherwise, be held in abeyance by the Transferee Company.



- 7.5 Without prejudice to the generality of Clause 7.1 above, the Board of the Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned appropriate authorities and undertake necessary compliance for the issue and allotment of equity shares to the members of the Transferor Company pursuant to Clause 7.1 of the Scheme.
- 7.6 Approval of this Scheme by the equity shareholders of the Transferee Company shall be deemed to be the due compliance of the provisions of Section 13, Section 14, Section 42, Section 62 and other relevant and applicable provisions of the Act and rules made thereunder for the issue and allotment of the equity shares by the Transferee Company to the equity shareholders of the Transferor Company as on the Record Date, as provided in this Scheme.
- 7.7 The equity shares of the Transferee Company issued in terms of Clause 7.1 of this 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. The Transferee Company shall apply to all the Stock Exchanges (where the shares of the Transferor Company are listed) and SEBI for listing and admission to trading of all the equity shares issued to the shareholders of the Transferor Company pursuant to this Scheme in terms of the SEBI Circular read with any other Applicable Laws.
- 7.8 The Transferee Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with the Applicable Laws or regulations for the Transferee Company to comply with the formalities and requirements of the said Stock Exchanges. The equity shares of the Transferee Company allotted pursuant to the Scheme shall remain frozen in the depositories system until listing and trading permission is given by the Stock Exchanges as mentioned above. There shall be no change in the shareholding pattern or control in the Transferee Company between the Record Date in terms of the Scheme and the listing which may affect the status of approvals received from the Stock Exchanges.
- 7.9 Corporate Professionals Capital Private Limited, an independent SEBI registered merchant banker, pursuant to SEBI Circular, under its fairness opinion dated January 28, 2022, has certified that the Valuation Report in reference to the Scheme, is fair and reasonable.

## 8. ACCOUNTING TREATMENT

### 8.1 Accounting Treatment in the Financial Statements of the Transferor Company

- (a) The transfer of the CLG Business Undertaking shall be accounted for in the books of the Transferor Company in accordance with applicable accounting standards prescribed under Section 133 of the Act and generally accepted accounting principles in India.
- (b) Upon the Scheme becoming effective:
- (i) The respective carrying values, of the assets, liabilities and identified reserves of the CLG Business Undertaking, shall be reduced from the books of account of the Transferor Company.
- (ii) Pursuant to Part III of the Scheme, the investment of the Transferor Company in the Transferee Company as appearing in its books of accounts shall be written off.
- (c) The difference of the above, shall be reduced from Other Equity in the books of the Transferor Company.



**8.2 Accounting Treatment in the Financial Statements of the Transferee Company**

- (a) The transfer of the CLG Business Undertaking shall be accounted for in the books of the Transferee Company 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.
- (b) Upon the Scheme becoming effective:
- (i) The transferred assets, liabilities and identified reserves relating to the CLG Business Undertaking would be recorded at their respective carrying amounts as appearing in Financial Statements of the Transferor Company.
- (ii) The Transferee Company shall credit its share capital account with the aggregate face value of the equity shares issued to the shareholders of the Transferor Company.
- (iii) The difference of the above shall be recorded within Other Equity of the Transferee Company.
- (iv) The Transferee Company shall comply with presentation and disclosure requirements as per IND -AS -103.
- (c) The reserves so recorded under Other Equity shall be available for distribution of dividend to the shareholders and shall be considered as free reserves from the Act perspective.
- (d) With respect to reduction of capital under Part III, the amount of equity share capital and the securities premium shall stand reduced and cancelled and correspondingly adjusted to the retained earnings to the extent available and balance equity share capital shall be transferred to capital reserve.

**9. TAX**

Upon the Scheme becoming effective and with effect from the Appointed Date:

- 9.1 This Scheme complies with the conditions relating to "demerger" as defined under Section 2(19AA), Section 47 and other relevant sections and provisions of the IT Act.
- 9.2 It is clarified that all the taxes and duties payable by the Transferor Company, relating to the CLG Business Undertaking from the Appointed Date, including all advance tax payments, tax deducted at source, tax liabilities or any refund and claims shall, for all purposes be treated as advance tax payments, tax deducted at source, tax liabilities or refunds and claims of the Transferee Company, notwithstanding that the certificates, challans or other documents for payments of such taxes are in the name of the Transferor Company.
- 9.3 Without prejudice to the generality of Clause 9.2 above, any input tax credits which are unutilized as on the date of filing of prescribed returns/form for transfer of credit to the Transferee Company under Central Goods and Services Tax Act read with Central Goods and Services Tax rules therein shall be apportioned in accordance with relevant regulation, circulars, guidance provided for the same.



- 9.4 In addition, all deduction otherwise admissible to the Transferor Company in relation to the CLG Business Undertaking including payment admissible on actual payment or on deduction of appropriate taxes or on payment of tax deducted at source shall be eligible for deduction to the Transferee Company upon fulfilment of the applicable conditions under the Applicable Law.
- 9.5 Tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Company relating to the CLG Business Undertaking, if any, pending and/or arising at the Appointed Date, shall be continued and/or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, the tax proceedings/ appeals shall be continued and enforced by or against the Transferee Company relating to the CLG Business Undertaking in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the transfer and vesting of the CLG Business Undertaking into the Transferee Company or anything contained in the Scheme.
- 9.6 With effect from the Appointed Date, Transferor Company and the Transferee Company are expressly permitted to prepare and/or revise, as the case may be, their Financial Statements and returns along with the prescribed forms, filings and annexure and related tax payment certificates under the Income Tax Act, 1961, Goods and Services Tax and other tax laws, if required, to give effect to provisions of the Scheme, and to claim refunds and advance tax credits in relation to the CLG Business Undertaking as may be required consequent to the implementation of the Scheme, and all tax compliances under Applicable Laws by the Transferor Company in relation to the CLG Business Undertaking shall be deemed to have been undertaken by the Transferee Company.



**PART VII**

**GENERAL / RESIDUARY TERMS AND CONDITIONS**

**10. DIVIDENDS**

- 10.1 The Transferor Company and the Transferee Company shall be entitled to declare and make a distribution/ pay dividends, whether interim or final and/or issue bonus shares to their respective shareholders prior to the Effective Date, in accordance with Applicable Law. Any declaration of dividend or other distribution of capital or income by the Transferor Company and the Transferee Company shall be consistent with their respective dividend policies and past practices.
- 10.2 It is clarified that the aforesaid provisions in respect of the declaration of dividends (whether interim or final) are enabling provisions and shall not be deemed to confer any right on any shareholder of the Transferor Company and the Transferee Company, as the case may be, to demand or claim or be entitled to any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of the Transferor Company and the Transferee Company, as the case may be, and subject to approval, if required, of the shareholders of the relevant company.

**11. APPLICATION TO NCLT**

- 11.1 The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make respective applications to the NCLT and or applicable authority, under Sections 230 to 232 of the Act, seeking order for dispensing with or for convening, holding and/or conducting of the meetings of the classes of their respective members and creditors (secured and unsecured) as per the requirements of the Act.
- 11.2 The Transferor Company and the Transferee Company, as the case may be, shall be entitled, pending the sanction of this Scheme, to apply to the appropriate authorities, as required, under any Applicable Law for such consents and approvals which may be required to own/ transfer the assets and/or liabilities of the CLG Business Undertaking.

**12. CONDITIONALITY OF THE SCHEME**

This Scheme is and shall be conditional upon and subject to:

- (a) The approval by the requisite majorities of the classes of persons, including shareholders, creditors of the Transferor Company and the Transferee Company as may be directed by the NCLT under Sections 230- 232 of the Act;
- (b) The sanctioning of this Scheme by the NCLT, whether with any modifications or amendments as NCLT may deem fit or otherwise;
- (c) The filing of the certified copies of the orders of the NCLT with the Registrar of Companies, National Capital Territory of Delhi and Haryana, by the Transferor Company and the Transferee Company, as the case may be; and
- (d) Any other sanctions and orders as may be directed by the NCLT in respect of the Scheme.

**13. MODIFICATION OR AMENDMENTS TO THE SCHEME**



- 13.1 Each of the Transferor Company and the Transferee Company (acting through their respective Boards of Directors) may assent to any modifications or amendments to this Scheme, which the NCLT and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. Each of the Transferor Company and the Transferee Company (acting through its respective Boards of Directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any order of the NCLT or of any directive or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.
- 13.2 If any part or clause of this Scheme hereof is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Company and the Transferee Company that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to the Transferor Company and/or the Transferee Company, in which case the Transferor Company and the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Company and the Transferee Company, the benefits and obligations of the Scheme, including but not limited to such part.

#### 14. WITHDRAWAL OF THE SCHEME

Subject to the approval of the NCLT or any other competent authority, if required, the Board of Directors of the Transferee Company and the Transferor Company shall be entitled to revoke, cancel, withdraw and declare this Scheme of no effect at any stage if, (a) any of the conditions that may be imposed by the NCLT or other authorities which the Transferor Company and the Transferee Company may find unacceptable for any reason; or (b) they are of view that the coming into effect of the Scheme could have adverse implications on the Transferee Company and/or the Transferor Company.

#### 15. EFFECT OF NON-RECEIPT OF APPROVALS

- 15.1 In the event that, (a) the Scheme is not sanctioned by the NCLT; (b) subject to Clause 15.2 below, any consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme are not obtained or complied with; (c) the Scheme is revoked, canceled or withdrawn in accordance with Clause 14 above; or (d) for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void, and the Transferor Company shall bear the costs, charges and expenses in connection with the Scheme unless otherwise mutually agreed between the Transferor Company and Transferee Company.
- 15.2 The non – receipt of any sanctions or approvals for a particular asset or liability forming part of the CLG Business Undertaking getting transferred pursuant to this Scheme, shall not affect the effectiveness of the respective section of the Scheme, if the Boards of Directors of the Transferor Company and/or the Transferee Company so decide. In the event of non – receipt of approval of any lender / creditor for the transfer of any liability, then at the option of the Boards of Directors of the Transferor Company, it may issue a security / recognize a liability in favour of the Transferee Company on the same terms. The transfer of such asset or liability shall become effective from the Appointed Date as and when the said requisite approvals are received or aforesaid liability being recognized / security being issued and the provisions of the Scheme shall apply appropriately to the said transfer / issue / recognition.



**16. COSTS, CHARGES & EXPENSES**

- 16.1 Except as otherwise expressly provided in the Scheme:
- (a) all the costs, charges and expenses in connection with the Scheme till the Appointed Date, shall be borne by the Transferor Company; and
  - (b) all the costs, charges and expenses in connection with the Scheme from the Appointed Date and until the Effective Date, shall be borne equally by the Transferor Company and Transferee Company.
- 16.2 Upon the Scheme becoming effective, the Transferor Company and the Transferee Company shall bear their own costs, charges and expenses in connection with the Scheme after the Effective Date. The stamp duty, if any, in relation to the Scheme shall be borne by the Transferee Company.
- 16.3 Upon the Scheme becoming effective, all taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company pertaining to the CLG Business Undertaking and the Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.

**17. COMPLIANCE WITH APPLICABLE LAWS**

- 17.1 The Transferor Company and the Transferee Company undertake to comply with all the Applicable Laws (including all applicable compliances required by SEBI and the Stock Exchanges), including making the requisite intimations and disclosures to any statutory or regulatory authority and obtaining the requisite consent, approval or permission of the appropriate authorities or any other statutory or regulatory authority (including without limitation, and if required, the Central Government, the Reserve Bank of India, SEBI, Stock Exchanges), which by Applicable Law may be required for the implementation of this Scheme or which by Applicable Law may be required in relation to any matters connected with this Scheme.
- 17.2 Since the Transferor Company is a listed company, this Scheme is subject to the compliances of the applicable requirements under the SEBI LODR, as amended from time to time, SEBI Circular and all other statutory directives of SEBI, as applicable.



**SCHEDULE I**

**List of Subsidiaries outside India**

S. No.	Subsidiary	Jurisdiction	Number of shares/Percentage of shareholding
1.	NIIT (USA) Inc., USA	U.S.A.	10,662,113 (100%)
2.	NIIT Limited, U.K.	U.K.	155,000 (100%)
3.	NIIT (Ireland) Limited	Ireland	4,150,000 (100%)
4.	NIIT Malaysia Sdn. Bhd.	Malaysia	5,541,000 (100%)
5.	NIIT West Africa Limited	Nigeria	10,000,000 (100%)





**SCHEDULE II**  
**List of Step-Down Subsidiaries**

S.No.	Name of subsidiary	Jurisdiction	Number of shares/Percentage of shareholding
1.	Eagle Training Spain, S.L.	USA	3,630 (100%)
2.	Stackroute Learning Inc.	USA	1,500,000 (100%)
3.	NIIT Learning Solutions (Canada) Limited	Canada	9,197,260 (100%)



**SCHEDULE III**

**List of Intellectual Property being transferred to the Transferee Company as part of the CLG Business Undertaking**

**A. COPYRIGHTS**

S.No.	Title	Course Code	Application Date	Diary No.	Acknowledgement Date	Certificate No.	Date of Certificate	Status
1	WORKFLOW AUTOMATION	M970576		F71-216/98CO		L-17339/98	15-May-1998	Registered
2	WIDE AREA NETWORK AND INTERNET WORKING	Software	29-Aug-2003	284/2003-CO/SW	29-Aug-2003	SW-1567/2004	15-Apr-2004	Registered
3	COMPUTER AIDED DRAFTING FOR ARCHITECTURE	Software	29-Aug-2003	285/2003-CO/SW	29-Aug-2003	SW-1568/2004	15-Apr-2004	Registered
4	VISUALIZATION	Software	29-Aug-2003	286/2003-CO/SW	29-Aug-2003	SW-1569/2004	15-Apr-2004	Registered
5	FOUNDATIONS OF MODELING FOR ENGINEERING GRAPHICS	Software	29-Aug-2003	287/2003-CO/SW	29-Aug-2003	SW-1570/2004	15-Apr-2004	Registered
6	INTRODUCTION TO DIFFERENTIAL AND INTEGRAL CALCULUS	Software	29-Aug-2003	288/2003-CO/SW	29-Aug-2003	SW-1571/2004	15-Apr-2004	Registered
7	ELECTRONIC DEVICES	Software	29-Aug-2003	289/2003-CO/SW	29-Aug-2003	SW-1572/2004	15-Apr-2004	Registered
8	DIGITAL ELECTRONICS	Software	29-Aug-2003	290/2003-CO/SW	29-Aug-2003	SW-1573/2004	15-Apr-2004	Registered
9	ELECTRONIC COMMUNICATIONS	Software	29-Aug-2003	291/2003-CO/SW	29-Aug-2003	SW-1574/2004	15-Apr-2004	Registered
10	PROGRAMMING AND GUI APPLICATIONS	Software	29-Aug-2003	292/2003-CO/SW	29-Aug-2003	SW-1575/2004	15-Apr-2004	Registered
11	USER AUTHENTICATION SYSTEMS & ROLE-BASED SECURITY	Software	29-Aug-2003	293/2003-CO/SW	29-Aug-2003	SW-1576/2004	15-Apr-2004	Registered
12	ADVANCED SWITCHING AND MANAGEMENT	Software	29-Aug-2003	294/2003-CO/SW	29-Aug-2003	SW-1577/2004	15-Apr-2004	Registered
13	MODERN WIRELESS COMMUNICATION	Software	29-Aug-2003	295/2003-CO/SW	29-Aug-2003	SW-1578/2004	15-Apr-2004	Registered
14	PHYSICAL AND COMPUTER-AIDED 3D MODELING	Software	29-Aug-2003	296/2003-CO/SW	29-Aug-2003	SW-1579/2004	15-Apr-2004	Registered
15	AC ELECTRONICS	Software	29-Aug-2003	297/2003-CO/SW	29-Aug-2003	SW-1580/2004	15-Apr-2004	Registered
16	NETWORKING CONCEPTS	Software	29-Aug-2003	298/2003-CO/SW	29-Aug-2003	SW-1581/2004	15-Apr-2004	Registered
17	ADDING E-COMMERCE SYSTEMS & IT INFRASTRUCTURE	Software	29-Aug-2003	299/2003-CO/SW	29-Aug-2003	SW-1582/2004	15-Apr-2004	Registered
18	INTRODUCTORY DIGITAL COMMUNICATION SYSTEMS	Software	3-Sep-2003	304/2003-CO/SW	3-Sep-2003	SW-1587/2004	21-Apr-2004	Registered
19	INTRODUCTORY ELECTRONIC CIRCUIT DESIGN	Software	3-Sep-2003	305/2003-CO/SW	3-Sep-2003	SW-1588/2004	21-Apr-2004	Registered
20	OPERATING SYSTEMS	Software	3-Sep-2003	306/2003-CO/SW	3-Sep-2003	SW-1589/2004	21-Apr-2004	Registered
21	LINUX OPERATING SYSTEM	Software	3-Sep-2003	307/2003-CO/SW	3-Sep-2003	SW-1590/2004	21-Apr-2004	Registered
22	DC ELECTRONICS	Software	3-Sep-2003	308/2003-CO/SW	3-Sep-2003	SW-1591/2004	21-Apr-2004	Registered
23	COMPUTER NUMERICAL CONTROL	Software	3-Sep-2003	309/2003-CO/SW	3-Sep-2003	SW-1592/2004	21-Apr-2004	Registered
24	NUMERICAL METHODS	Software	3-Sep-2003	310/2003-CO/SW	3-Sep-2003	SW-1593/2004	21-Apr-2004	Registered
25	APPLIED DATABASE DEVELOPMENT	Software	3-Sep-2003	311/2003-CO/SW	3-Sep-2003	SW-1594/2004	21-Apr-2004	Registered
26	INTRODUCTION TO GAMING TECHNOLOGY	Software	3-Sep-2003	312/2003-CO/SW	3-Sep-2003	SW-1596/2004	21-Apr-2004	Registered
27	MANAGING GAME DEVELOPMENT	Software	3-Sep-2003	313/2003-CO/SW	3-Sep-2003	SW-1597/2004	21-Apr-2004	Registered



S.No.	Title	Course Code	Application Date	Diary No.	Acknowledgement Date	Certificate No.	Date of Certificate	Status
28	CARRY ON WRITING	Software	3-Sep-2003	314/2003-CO/SW	3-Sep-2003	SW-1595/2004	21-Apr-2004	Registered
29	ADVANCED CIRCUIT ANALYSIS I	Software	3-Sep-2003	315/2003-CO/SW	3-Sep-2003	SW-1598/2004	21-Apr-2004	Registered
30	ADVANCED CIRCUIT ANALYSIS II	Software	2-Feb-2005	22/2005-CO/SW	7-Feb-2005	SW-2220/2005	12-May-2005	Registered
31	ADVANCED JAVA I	Software	2-Feb-2005	23/2005-CO/SW	7-Feb-2005	SW-2221/2005	12-May-2005	Registered
32	ADVANCED JAVA II	Software	2-Feb-2005	24/2005-CO/SW	7-Feb-2005	SW-2222/2005	12-May-2005	Registered
33	ALGORITHM ANALYSIS & DESIGN	Software	2-Feb-2005	25/2005-CO/SW	7-Feb-2005	SW-2223/2005	12-May-2005	Registered
34	BROADCAST GRAPHICS	Software	2-Feb-2005	26/2005-CO/SW	7-Feb-2005	SW-2224/2005	12-May-2005	Registered
35	BUSINESS DATABASE ADMINISTRATION	Software	2-Feb-2005	27/2005-CO/SW	7-Feb-2005	SW-2225/2005	12-May-2005	Registered
36	COMPUTER MODELING FOR ARCHITECTURE	Software	2-Feb-2005	28/2005-CO/SW	7-Feb-2005	SW-2226/2005	12-May-2005	Registered
37	COMPUTER ORGANISATION & ASSEMBLY LANGUAGE	Software	31-Jan-2005	29/2005-CO/SW	7-Feb-2005			Applied for
38	CREATIVE WRITING AND STORYBOARDING FOR GAMES	Software	31-Jan-2005	30/2005-CO/SW	7-Feb-2005			Applied for
39	DATABASE DESIGN & DEVELOPMENT	Software	31-Jan-2005	31/2005-CO/SW	7-Feb-2005			Applied for
40	DIGITAL COMMUNICATION SYSTEMS II	Software	31-Jan-2005	32/2005-CO/SW	7-Feb-2005			Applied for
41	ELECTRONIC CIRCUIT DESIGN II	Software	31-Jan-2005	33/2005-CO/SW	7-Feb-2005			Applied for
42	GAME DESIGN PROCESS	Software	31-Jan-2005	34/2005-CO/SW	7-Feb-2005			Applied for
43	GAME DESIGN STRATEGIES	Software	31-Jan-2005	35/2005-CO/SW	7-Feb-2005			Applied for
44	INTRODUCTION TO ANIMATION	Software	31-Jan-2005	36/2005-CO/SW	7-Feb-2005			Applied for
45	INTRODUCTION TO C# PROGRAMMING	Software	2-Feb-2005	37/2005-CO/SW	7-Feb-2005	SW-2210/2005	12-May-2005	Registered
46	INTRODUCTION TO VB.NET	Software	2-Feb-2005	38/2005-CO/SW	7-Feb-2005	SW-2211/2005	12-May-2005	Registered
47	LEADERSHIP IN DYNAMIC INFORMATION AGE	Software	2-Feb-2005	39/2005-CO/SW	7-Feb-2005	SW-2212/2005	12-May-2005	Registered
48	LEARNING DATA STRUCTURES USING C++	Software	2-Feb-2005	40/2005-CO/SW	7-Feb-2005	SW-2213/2005	12-May-2005	Registered
49	LINUX SYSTEM ADMINISTRATION	Software	2-Feb-2005	41/2005-CO/SW	7-Feb-2005	SW-2214/2005	12-May-2005	Registered
50	MANAGERIAL ECONOMICS	Software	2-Feb-2005	42/2005-CO/SW	7-Feb-2005	SW-2215/2005	12-May-2005	Registered
51	MANAGING BUSINESS INFORMATION SYSTEMS	Software	2-Feb-2005	43/2005-CO/SW	7-Feb-2005	SW-2216/2005	12-May-2005	Registered
52	MODELING FOR ENGINEERING GRAPHICS	Software	2-Feb-2005	44/2005-CO/SW	7-Feb-2005	SW-2217/2005	12-May-2005	Registered
53	PHYSICS	Software	2-Feb-2005	45/2005-CO/SW	7-Feb-2005	SW-2218/2005	12-May-2005	Registered
54	PHYSICS OF ANIMATION	Software	2-Feb-2005	46/2005-CO/SW	7-Feb-2005	SW-2219/2005	12-May-2005	Registered
55	PROCESS CONTROL CIRCUITS	Software	31-Jan-2005	47/2005-CO/SW	7-Feb-2005			Applied for
56	PROFESSIONAL PROCEDURES AND PORTFOLIO DEVELOPMENT	Software	31-Jan-2005	48/2005-CO/SW	7-Feb-2005			Applied for
57	PROGRAMMING IN ASP.NET	Software	31-Jan-2005	50/2005-CO/SW	7-Feb-2005			Applied for
58	PROGRAMMING NET FRAMEWORK WITH VB.NET AND C#	Software	31-Jan-2005	51/2005-CO/SW	7-Feb-2005			Applied for
59	SECURING LINUX PLATFORMS AND APPLICATIONS	Software	31-Jan-2005	52/2005-CO/SW	7-Feb-2005			Applied for
60	SECURING WINDOWS PLATFORMS & APPLICATIONS	Software	31-Jan-2005	53/2005-CO/SW	7-Feb-2005			Applied for
61	SOFTWARE REQUIREMENTS ANALYSIS & DESIGN	Software	31-Jan-2005	54/2005-CO/SW	7-Feb-2005			Applied for



S.No.	Title	Course Code	Application Date	Diary No.	Acknowledgement Date	Certificate No.	Date of Certificate	Status
62	STRATEGIES FOR TECHNICAL PROFESSIONALS	Software	31-Jan-2005	55/2005-CO/SW	7-Feb-2005			Applied for
63	STRUCTURED PROGRAMMING	Software	31-Jan-2005	56/2005-CO/SW	7-Feb-2005			Applied for
64	SYSTEM ANALYSIS	Software	31-Jan-2005	57/2005-CO/SW	7-Feb-2005			Applied for
65	SYSTEM ANALYSIS FOR SOFTWARE ENGINEERS	Software	2-Feb-2005	58/2005-CO/SW	7-Feb-2005	SW-2200/2005	12-May-2005	Registered
66	SYSTEM FORENSICS INVESTIGATION & RESPONSE	Software	2-Feb-2005	59/2005-CO/SW	7-Feb-2005	SW-2201/2005	12-May-2005	Registered
67	TEAM PRODUCT DEVELOPMENT	Software	2-Feb-2005	60/2005-CO/SW	7-Feb-2005	SW-2202/2005	12-May-2005	Registered
68	UNIX OPERATING SYSTEMS	Software	2-Feb-2005	61/2005-CO/SW	7-Feb-2005	SW-2201/2005	12-May-2005	Registered
69	VOICE AND DATA INTEGRATION	Software	2-Feb-2005	62/2005-CO/SW	7-Feb-2005	SW-2204/2005	12-May-2005	Registered
70	WEB TECHNOLOGY	Software	2-Feb-2005	63/2005-CO/SW	7-Feb-2005	SW-2205/2005	12-May-2005	Registered
71	ATLAS	Literary	25-May-2009	4325/09-CO/L	1-Jun-2009	L-35624/2010	22-Mar-2010	Registered
72	ACCELERATE	Literary	25-May-2009	4326/09-CO/L	1-Jun-2009	L-35625/2010	22-Mar-2010	Registered
73	LITMUS RECRUITMENT PORTAL	Literary	25-May-2009	4327/09-CO/L	1-Jun-2009	L-35626/2010	22-Mar-2010	Registered
74	PROFEL- TRAINING MANAGEMENT TOOL	Literary	25-May-2009	4328/09-CO/L	1-Jun-2009	L-35627/2010	22-Mar-2010	Registered
75	TRAINING ADMINISTRATION ENHANCEMENT TOOL	Literary	25-May-2009	4329/09-CO/L	1-Jun-2009	L-35628/2010	22-Mar-2010	Registered
76	FINANCIAL AUTOMATION TOOL	Literary	25-May-2009	4330/09-CO/L	1-Jun-2009	L-35629/2010	22-Mar-2010	Registered
77	FLASH PLAYBOOK TEMPLATS	Literary	25-May-2009	4331/09-CO/L	1-Jun-2009	L-35630/2010	22-Mar-2010	Registered
78	PRAMATI 5.0	Literary	25-May-2009	4332/09-CO/L	1-Jun-2009	L-35631/2010	22-Mar-2010	Registered
79	CLICKS UI TOOL UPGRADE	Literary	25-May-2009	4333/09-CO/L	1-Jun-2009	L-35632/2010	22-Mar-2010	Registered
80	INDIVIDUAL AS A BATCH - TRAINING PLATFORM - MODULE I	Literary	25-May-2009	4534/09-CO/L	1-Jun-2009	L-35633/2010	22-Mar-2010	Registered
81	INDIVIDUAL AS A BATCH - TRAINING PLATFORM - MODULE II	Literary	25-May-2009	4535/09-CO/L	1-Jun-2009	L-35634/2010	22-Mar-2010	Registered
82	RELATIONAL DATABASE DESIGN	Literary	25-May-2009	4536/09-CO/L	1-Jun-2009	L-35635/2010	22-Mar-2010	Registered
83	UNIX & LINUX FUNDAMENTALS	Literary	25-May-2009	4537/09-CO/L	1-Jun-2009	L-35636/2010	22-Mar-2010	Registered
84	PERL CGI	Literary	25-May-2009	4538/09-CO/L	1-Jun-2009	L-35637/2010	22-Mar-2010	Registered
85	UNIX ADVANCED	Literary	25-May-2009	4539/09-CO/L	1-Jun-2009	L-35638/2010	22-Mar-2010	Registered
86	AGILE PROJECT MANAGEMENT	Literary	25-May-2009	4540/09-CO/L	1-Jun-2009	L-35601/2010	22-Mar-2010	Registered
87	SHELL SCRIPTING IN LINUX	Literary	25-May-2009	4541/09-CO/L	1-Jun-2009	L-35602/2010	22-Mar-2010	Registered
88	FLASH AND DREAMWEAVER	Literary	26-May-2009	4462/09-CO/L	28-May-2009	L-36000/2010	23-Aug-2010	Registered
89	HOSTING INTERNAP	Literary	22-Apr-2010	4900/10-CO/L	29-Apr-2010	L-39077/2011	20-Sep-2011	Registered
90	RICH MEDIA	Literary	22-Apr-2010	4899/10-CO/L	29-Apr-2010	L-39078/2011	20-Sep-2011	Registered
91	PROJECT PRACTICE PROGRAM	Literary	30-Apr-2010	5715/10-CO/L	7-May-2010	L-39151/2011	13-Oct-2011	Registered
92	STQA(SOFTWARE TESTING AND QUALITY ASSURANCE)	Literary	30-Apr-2010	5752/10-CO/L	7-May-2010	L-39458/2011	24-Nov-2011	Registered
93	CONTENT ENGINE OPTIMIZATION	Literary	20-Oct-2010	12017/10-CO/L	2-Nov-2010	L-45572/2011	11-Jan-2013	Registered
94	ONLINE WORK AND HOSTING MANAGEMENT	Literary	20-Oct-2010	12018/10-CO/L	2-Nov-2010	L-45581/2011	11-Jan-2013	Registered
95	MTS	Literary	26-Aug-2011	10294/2011-CO/L	1-Sep-2011			Applied for



S.No.	Title	Course Code	Application Date	Diary No.	Acknowledgement Date	Certificate No.	Date of Certificate	Status
96	TOOLKIT SOURCE	Literary	22-Sep-2011	11577/2011-CO.L	28-Sep-2011	L-48219/2013	9-Apr-2013	Registered
97	Training Admin Product Development	Literary	16-Jul-2012	9100/2012-CO.L	18-Jul-2012			Applied for
98	Creating, Querying & Managing Database using MySQL - SEZ	Literary	8-Mar-13	3044/2013-CO.L	14-Mar-13	L-54543/2013	26-Sep-2013	Registered
99	Data Centric Application Development Using ADO.NET - SEZ	Literary	8-Mar-13	3048/2013-CO.L	14-Mar-13	L-54537/2013	26-Sep-2013	Registered
100	WEB Page Authoring (WPA) - SEZ	Literary	8-Mar-13	3049/2013-CO.L	14-Mar-13	L-54536/2013	26-Sep-2013	Registered
101	Symphony - Program and Project Management Software	Literary	31-Mar-17	5534/2017-CO/SW	31-Mar-17	SW-9350/2017	28-Aug-2017	Registered
102	QA Automation Tool	Literary	31-Mar-17	5536/2017-CO/SW	31-Mar-17	SW-9349/2017	28-Aug-2017	Registered
103	LT Tool	Literary	11-May-17	7555/2017-CO.L	11-May-17			Applied for
104	IDC Tool	Literary	12-May-17	7576/2017-CO.L	12-May-17			Applied for
105	MS Tool	Literary	12-May-17	7574/2017-CO.L	12-May-17			Applied for
106	EASE	Literary	12-Jul-17	10525/2017-CO/SW	12-Jul-17	SW-9459/2017	22-Sep-2017	Registered
107	Onboarding Platform	Software	14-Dec-18	17370/2018-CO/SW	14-Dec-18	SW-12139/2019	25-Jan-2019	Registered
108	Learning experience Transformation Platform	Software	9-Jul-19	10898/2019-CO/SW	15-Jul-19	SW-12816/2019	3-Sep-2019	Registered
109	Customer experience Transformation Platform	Software	1-Feb-20	2004/2020-CO/SW	1-Feb-20	SW-13366/2020	18-Mar-2020	Registered
110	F2H - Platform and Automation	Literary	20-Mar-20	7362/2020-CO/SW	4-Jun-20	SW-13629/2020	24-Aug-2020	Registered
111	Sales Enablement Platform	Software	12-Nov-20	18335/2020-CO/SW	12-Nov-20	SW-14221/2021	23-Feb-2021	Registered

**B. TRADEMARKS**

S. No.	Particular	Class	Filing Date	Trademark No.	Valid From	Valid To	Status
1.	NIIT LITMUS	41	9-Oct-2006	1494851	9-Oct-2006	8-Oct-2026	Registered
2.	NIIT LITMUS	42	9-Oct-2006	1494852	9-Oct-2006	8-Oct-2026	Registered



**INDEPENDENT AUDITOR'S REPORT****To the Members of NIIT Limited****Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying standalone financial statements of NIIT 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 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, 2022, its profit including other comprehensive loss, 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.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures, performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

**INDEPENDENT AUDITOR'S REPORT** Contd..

Key audit matters	How our audit addressed the key audit matters
<p><b>Revenue recognition and recoverability from trade receivables and unbilled revenue</b> (refer to the summary of significant accounting policies in point 2(d), (i) (iii) and (l) and the disclosure in note 8(ii), 8(iii) and 17 of the standalone financial statements)</p> <p>The Company derives a significant portion of its revenue from long-term and fixed-price projects. Estimation of effort is a critical estimate to determine revenues for fixed-price contracts. This estimate has a high inherent uncertainty as it requires consideration of the progress of the contract, efforts incurred to date, and efforts required to complete the remaining contract performance obligations. Some of the contracts have complex terms and conditions requiring management analysis, judgement and application of guidance for appropriate recognition of revenue and the corresponding balances of accounts receivables, unbilled revenues and deferred revenues.</p> <p>In consideration of certain key judgements and principles used for the recognition of revenue we have identified this matter to be a key audit matter.</p> <p>Further, the Company has a significant amount of trade receivables and unbilled revenue of Rs. 1,048.38 Mn in the balance sheet. The Company has determined the allowance for the expected credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. We focused on this risk as the balances are material and there are significant judgments involved in assessing the recoverability of trade receivables and unbilled revenue for calculating the expected credit losses.</p>	<p>Our audit procedures included the following:</p> <p>We have performed a walkthrough and obtained an understanding of the process and tested the operating effectiveness of key controls associated with the revenue recognition and accounts receivable process.</p> <p>We made enquiries of management and analysed contracts on sample basis to evaluate revenue recognition in accordance with the terms and conditions of the contract. We have:</p> <ul style="list-style-type: none"> <li>• Assessed the Company's accounting policies relating to revenue recognition;</li> <li>• Checked the revenue recognition from fixed-price contracts by reading the supporting documents including inspection of contracts / statement of work/purchase orders from customers and documents evidencing delivery, on a test check basis;</li> <li>• Checked, pre and post-year end, sample of revenue recognized, with the supporting documents;</li> <li>• Circulated the confirmations for outstanding trade receivables on sample basis on year-end, and performed alternate procedures for the confirmations not received;</li> <li>• We have obtained calculation of estimated efforts budgeted by management and performed a comparative analysis to the actual efforts;</li> <li>• Tested the ageing of trade receivables for a sample of invoices;</li> <li>• Checked the subsequent collection made from the trade receivables and subsequent billing for unbilled revenue and inquired of management for the reasons for any long outstanding amounts and correspondences with the customers;</li> <li>• Checked the calculation of the expected credit loss model, based upon the past trend and forward-looking scenarios and ensured that recognition of the calculation of expected credit loss is in accordance with the provision of Ind AS 109;</li> <li>• Tested the journal entries impacting revenue, using data extracted from the accounting system, made in the preparation of the Standalone financial statements;</li> <li>• Checked the adequacy of disclosure given in the Standalone financial statement for compliance with the Accounting Standards.</li> </ul>

**INDEPENDENT AUDITOR'S REPORT** Contd..

Key audit matters	How our audit addressed the key audit matters
<p><b>Impairment of investments</b> (refer to the summary of significant accounting policies in point 2(j) and the disclosure in note 8(i) of the standalone financial statements)</p> <p>The Company has a net investment of Rs. 2,269. 36 Mn in subsidiaries.</p> <p>Annually, the management assesses the existence of impairment indicators for each non-current investment and in case of occurrence, such investments are subjected to an impairment test.</p> <p>As at the reporting date, the Company has investments in certain subsidiaries, of which, the management has identified impairment indicators such as net worth erosion and loss in the current year, in respect of certain investments in subsidiaries.</p> <p>Accordingly, investments have been tested for impairment as at year-end in accordance with Indian Accounting Standard ('Ind AS') 36, "Impairment of Assets".</p> <p>Based on the management's assessment, no impairment provisions has been recorded in the books for the year ended.</p> <p>Accordingly, the determination of indicators of impairment as well as the recoverable amounts of investments in subsidiaries was considered to be a key audit matter in our audit of the standalone financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Assessed the Company's valuation methodology applied in determining the recoverable amount;</li> <li>• We have obtained financial statements of subsidiaries from the management and assessed impairment indicators in accordance with Ind AS 36;</li> <li>• Assessed the assumptions used in determining cash flow forecasts, discount rates, expected growth rates and terminal growth rates used;</li> <li>• Assessed historical accuracy of management's budgets and forecasts by comparing them to actual performance;</li> <li>• Assessed the recoverable value headroom by performing sensitivity testing of key assumptions used;</li> <li>• Discussed potential changes in assumptions as compared to previous year / actual performance with management in order to evaluate the inputs and assumptions used in the cash flow forecasts;</li> <li>• Tested the arithmetical accuracy of the models;</li> <li>• Checked the disclosure given in the Standalone financial statement for compliance with the Accounting Standards.</li> </ul>
<p><b>Impairment of intangible assets</b> (refer to the summary of significant accounting policies in point 2(q) and the disclosure in note 5(i) of the standalone financial statements)</p> <p>Annually, the management assesses the impairment of internally generated intangible assets for each cash-generating Unit (CGU) for an impairment test.</p> <p>As at the reporting date, the Company has internally generated intangible assets (including intangible assets under development) for which management has evaluated future economic benefits in accordance with Indian Accounting Standard ('Ind AS') 36, "Impairment of Assets".</p> <p>In consideration of the judgments required in particular with reference to the forecast of CGU cash flows and the assumptions used in estimating the value-in-use of these intangible assets, we have identified this matter to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <p>We assessed the key information used in determining the valuation including the weighted average cost of capital, cash flow forecasts and the implicit growth. We have:</p> <ul style="list-style-type: none"> <li>• Assessed the Company's valuation methodology applied in determining the value in use;</li> <li>• Inspected and assessed management's most recent forecasts and the underlying assumptions/calculations having considered information on capacity, and expected growth rates from recent industry sources;</li> <li>• Assessed historical accuracy of management's budgets and forecasts by comparing them to actual performance;</li> <li>• Assessed the recoverable value headroom by performing sensitivity testing of key assumptions used;</li> <li>• Tested the arithmetical accuracy of the models;</li> <li>• Checked the disclosure given in Standalone financial statement for compliance with the Accounting standards;</li> <li>• Obtained management's most recent financial results forecasts and liquidity analysis underlying their impairment assessment and tested the integrity of the forecasts, including mathematical accuracy;</li> <li>• Assessed potential changes in key drivers with management in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable.</li> </ul>



**INDEPENDENT AUDITOR'S REPORT** Contd..

Key audit matters	How our audit addressed the key audit matters
<p><b>Recoverability of deferred tax assets</b> (refer to the summary of significant accounting policies in point 2(g) and the disclosure in note 9(i) of the standalone financial statements)</p>	
<p>The Company has recognized deferred tax assets of Rs. 245.13 Mn on timing differences. There is inherent uncertainty involved in forecasting future taxable profits, which determines the extent to which deferred tax assets are recognized.</p> <p>The analysis of the recoverability of such deferred tax assets has been identified as a key audit matter because the assessment process involves judgement regarding the future profitability and the likelihood of the realization of these assets, in particular whether there will be taxable profits in future periods that support the recognition of these assets.</p> <p>There is an inherent uncertainty involved in forecasting future taxable profits, which determines the extent to which deferred tax assets are recognized. We have identified this matter to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Checked management’s calculation of the Deferred tax assets and the key assumptions used;</li> <li>• Evaluated the design and implementation of key controls relating to calculation of deferred tax asset;</li> <li>• Checked the basis for estimating projected future profits and evaluated the assumptions used by management in these profit forecasts;</li> <li>• Tested the tax adjustments, with the support from tax specialists, which are taken into account to estimate taxable income, applicable tax legislation and the decisions concerning the possibilities of using applicable tax benefits with respect to the Group entities;</li> <li>• Performed sensitivity analysis on projections used for determining future taxable income to understand and challenge the key assumptions used by management;</li> <li>• Tested the arithmetical accuracy of the deferred tax calculation;</li> <li>• Checked the disclosure given in the Standalone financial statement for compliance with the Accounting Standards.</li> </ul>

We have determined that there are no other key audit matters to communicate in our report.

**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 identified above when it becomes available 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.

**Responsibilities 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 loss, 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:

- 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, 2022 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;
  - (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;

**INDEPENDENT AUDITOR'S REPORT**

Contd..

- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive loss, 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, 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 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, 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 standalone financial statements – Refer Note 31 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 note 38(x) 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;
  - b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 38(xi) 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 that are considered reasonable and appropriate in the circumstances, nothing has come to the notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The dividend declared or paid during the year by the Company is in compliance with section 123 of the Act.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Sanjay Bachchani**

Partner

Membership Number: 400419

UDIN: 22400419AJMVL6824

Place of Signature: Gurugram

Date: May 24, 2022

**ANNEXURE 1 REFERRED TO IN PARAGRAPH UNDER HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE**
**Re: NIIT Limited (“The Company”)**

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of the audit and to the best of our knowledge and belief, we state that:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) The Company has maintained proper records showing full particulars of intangible 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 regard 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) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of 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) As disclosed in note 38 (xii) to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company. The Company has not availed working capital limits from financial institutions.
- 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 provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. The Company, during the year, has made investment in a subsidiary, the terms and conditions of which are not prejudicial to company interest.
- (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.
- iv. There are no loans in respect of which provisions of sections 185 of the Act is applicable. Loans, investments, guarantees and security in respect of which provisions of section 186 of the Act is applicable have been complied with by the Company.

**ANNEXURE 1 REFERRED TO IN PARAGRAPH UNDER HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE** **Contd..**

- 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. 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 educational services, 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 goods and services tax, provident fund, employees’ state insurance, income tax, sales tax, service tax, duty of customs, value-added tax, cess and other statutory dues applicable to it. The provisions relating to duty of excise 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, work contract tax, sales tax and duty of custom have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in Mn)	Period	Forum where the dispute is pending
Andhra Pradesh General Sales Tax Act, 1957	Works Contract tax	31.32	2002 - 2005	Supreme Court of India
Central Sales Tax Act, 1956	Sales tax	44.57*	2005 – 2011	VAT Appellate Tribunal
Income Tax Act, 1961	Income Tax	3.09	AY 2009-10	CIT (Appeals)
Income Tax Act, 1961	Income Tax	14.17	AY 1999 -00 to 2005 - 06	High Court/ Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	15.87	AY 2010 - 11	CIT (A) (Company appeal)
Income Tax Act, 1961	Income Tax	11.37	AY 2011 – 12	CIT (A) (Company appeal)
Customs Act, 1962	Custom duty	4.80	2012 – 13 and 2013 – 14	Director of revenue intelligence

\*This includes amount paid under protest of Rs. 22.22 Mn.

- 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 has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.
- (c) No term loans were raised by the Company during the year. Term loans raised by the Company in previous years were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on a short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

**ANNEXURE 1 REFERRED TO IN PARAGRAPH UNDER HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE****Contd..**

- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (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 cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistleblower 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 the 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 the Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- 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 38 (viii) 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 the 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

**ANNEXURE 1 REFERRED TO IN PARAGRAPH UNDER HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS"  
OF OUR REPORT OF EVEN DATE**

Contd..

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 Act in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 22 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 Act. This matter has been disclosed in note 22 to the financial statements.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Sanjay Bachchani**

Partner

Membership Number: 400419

UDIN: 22400419AJMVL6824

Place of Signature: Gurugram

Date: May 24, 2022

**ANNEXURE - 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NIIT 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 Limited ("the Company") as of March 31, 2022 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 include 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 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, 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

UDIN: 22400419AJMVL6824

Place of Signature: Gurugram

Date: May 24, 2022

**STANDALONE BALANCE SHEET**

(Amount in Rs. Millions, unless otherwise stated)

	Notes	As at	
		March 31, 2022	March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	1,427.69	1,399.80
Investment property	4	0.56	0.56
Goodwill	5(i)	-	18.35
Other intangible assets	5(ii)	136.25	169.32
Right-of-use assets	7(ii)	68.88	94.82
Intangible assets under development	6	61.11	16.42
Financial assets			
Investments	8(i)	2,269.36	1,436.97
Other financial assets	8(ii)	44.93	3.68
Deferred tax assets (net)	9(i)	245.13	106.35
Income tax assets (net)	9(ii)	318.06	394.77
Other non-current assets	10	18.23	0.25
<b>Total non-current assets</b>		<b>4,590.20</b>	<b>3,641.29</b>
<b>Current assets</b>			
Inventories	11	-	0.26
Financial assets			
Investments	8(i)	7,135.16	8,534.43
Trade receivables	8(iii)	889.90	728.62
Cash and cash equivalents	8(iv)	57.99	57.64
Bank balances other than above	8(v)	940.66	2,941.86
Other financial assets	8(ii)	1,524.07	1,160.43
Other current assets	10	142.97	120.80
<b>Total current assets</b>		<b>10,690.75</b>	<b>13,544.04</b>
<b>TOTAL ASSETS</b>		<b>15,280.95</b>	<b>17,185.33</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	12	267.74	284.70
Other equity	13		
Reserves and surplus	13(i)	13,344.87	15,357.28
Other reserves	13(ii)	8.30	9.62
<b>TOTAL EQUITY</b>		<b>13,620.91</b>	<b>15,651.60</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	14(i)	5.31	-
Lease liabilities	7(ii)	58.65	75.21
Other financial liabilities	14(iii)	0.52	0.52
Other non-current liabilities	16	0.79	1.17
<b>Total non-current liabilities</b>		<b>65.27</b>	<b>76.90</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	14(i)	4.86	70.72
Lease liabilities	7(ii)	18.73	26.33
Trade payables	14(ii)		
(a) Total outstanding dues of micro enterprises and small enterprises		33.48	8.13
(b) Total outstanding dues of creditors other than micro enterprises & small enterprises		567.97	515.20
Other financial liabilities	14(iii)	398.80	340.64
Other current liabilities	16	262.72	159.93
Provisions	15	308.21	327.67
Income tax liabilities (net)	9(ii)	-	8.21
<b>Total current liabilities</b>		<b>1,594.77</b>	<b>1,456.83</b>
<b>TOTAL LIABILITIES</b>		<b>1,660.04</b>	<b>1,533.73</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>15,280.95</b>	<b>17,185.33</b>

The accompanying notes form an integral part of these financial statements.

As per our report of even date.

For S.R.Batlboi & Associates LLP

Chartered Accountants

Firm Registration No.: 101049W/E300004

Sanjay Bachchani

Partner

Membership No. 400419

Place: Gurugram

Date : May 24, 2022

For and on behalf of the Board of Directors of NIIT Limited

Rajendra S Pawar

Chairman

DIN - 00042516

Sapnesh Kumar Lalla

Executive Director &

Chief Executive Officer

DIN - 06808242

Vijay K Thadani

Vice-Chairman & Managing Director

DIN - 00042527

Sanjay Mal

Chief Financial Officer

Deepak Bansal

Company Secretary

**STANDALONE STATEMENT OF PROFIT AND LOSS**

(Amount in Rs. Millions, unless otherwise stated)

	Notes	Year ended	
		March 31, 2022	March 31, 2021
<b>Continuing and Discontinued Operations</b>			
<b>INCOME</b>			
Revenue from operations	17	4,451.90	3,680.85
Other income	18	1,533.04	1,125.86
<b>Total income</b>		<b>5,984.94</b>	<b>4,806.71</b>
<b>EXPENSES</b>			
Purchase of stock-in-trade		3.45	10.61
Changes in inventories of stock-in-trade	11	0.26	4.63
Employee benefits expenses	19	2,428.15	1,886.38
Professional & technical outsourcing expenses		1,147.01	1,061.61
Finance costs	20	9.35	32.28
Depreciation and amortisation expenses	5(ii)	211.37	267.04
Other expenses	21	749.21	478.18
<b>Total expenses</b>		<b>4,548.80</b>	<b>3,740.73</b>
<b>Profit before exceptional items and tax</b>		<b>1,436.14</b>	<b>1,065.98</b>
Exceptional items	24	(23.35)	(386.96)
<b>Profit before tax</b>		<b>1,412.79</b>	<b>679.02</b>
<b>Tax expense:</b>	25		
- Current tax		61.71	7.21
- Deferred Tax (credit) / charge		(111.01)	104.67
<b>Total tax expenses</b>		<b>(49.30)</b>	<b>111.88</b>
<b>Profit after tax for the year from continuing operations</b>		<b>1,462.09</b>	<b>567.14</b>
<b>Loss after tax for the year from discontinued operations</b>	37	<b>(38.92)</b>	<b>(31.03)</b>
<b>Profit for the year</b>		<b>1,423.17</b>	<b>536.11</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
a) Remeasurement of the defined benefit obligation	26	(67.05)	(51.53)
b) Fair value changes on cash flow hedges, net	13(ii)	0.14	3.87
c) Income tax effect	9(i)	16.88	12.97
		<b>(50.03)</b>	<b>(34.69)</b>
Items that will be reclassified to profit or loss			
a) Fair value changes on cash flow hedges, net	13(ii)	(1.46)	31.70
b) Income tax effect		-	-
		<b>(1.46)</b>	<b>31.70</b>
<b>Total other comprehensive loss for the year, net of tax</b>		<b>(51.49)</b>	<b>(2.99)</b>
<b>Total comprehensive income for the year</b>		<b>1,371.68</b>	<b>533.12</b>
<b>Earnings per equity share (Face Value Rs. 2 each) for Continuing Operations:</b>	34		
- Basic		10.88	4.00
- Diluted		10.63	3.95
<b>Loss per equity share (Face Value Rs. 2 each) for Discontinued Operations:</b>			
- Basic		(0.29)	(0.22)
- Diluted		(0.29)	(0.22)
<b>Earnings per equity share (Face Value Rs. 2 each) for Continuing and Discontinued Operations:</b>			
- Basic		10.59	3.78
- Diluted		10.34	3.73

The accompanying notes form an integral part of these financial statements.  
As per our report of even date.

**For S.R.Batlboi & Associates LLP**

Chartered Accountants

Firm Registration No.: 101049W/E300004

**Sanjay Bachchani**

Partner

Membership No. 400419

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

**Rajendra S Pawar**

Chairman

DIN - 00042516

**Sapnesh Kumar Lalla**

Executive Director &

Chief Executive Officer

DIN - 06808242

**Vijay K Thadani**

Vice-Chairman & Managing Director

DIN - 00042527

**Sanjay Mal**

Chief Financial Officer

**Deepak Bansal**

Company Secretary

Place: Gurugram

Date : May 24, 2022

**STANDALONE STATEMENT OF CHANGES IN EQUITY**

(Amount in Rs. Millions, unless otherwise stated)

a) **Equity Share Capital**

Particulars	Numbers	Amount
Equity share of Rs. 2 each subscribed and fully paid		
<b>Balance as at April 1, 2020*</b>	141,508,401	283.03
Issue of equity share capital [Refer note 12(b)]	836,583	1.67
<b>Balance as at March 31, 2021</b>	142,344,984	284.70
Issue of equity share capital [Refer note 12(b)]	1,397,263	2.79
Buyback of equity shares [Refer note 12(b)]	(9,875,000)	(19.75)
<b>Balance as at March 31, 2022</b>	133,867,247	267.74

\* Paid up share capital includes Rs. 0.01 Million originally paid up towards 6,000 forfeited shares.

b) **Other Equity**

Particulars	Reserves and Surplus					Total other equity
	Capital Reserve	Securities Premium	Employees Stock Option Outstanding	Capital Redemption Reserve	Retained Earnings	
Balance as at April 1, 2020	4,962.46	-	-	53.60	9,919.51	15,044.22
Profit for the year	-	-	-	-	536.11	536.11
Other comprehensive (loss) / Income (net of tax)	-	-	-	-	(38.56)	(2.99)
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>497.55</b>	<b>533.12</b>
Additions during the year on account of exercise of Employee Stock Options Transferred to Securities Premium from Employee Stock Options outstanding	-	48.77	(18.41)	-	-	48.77
Share Based Payments recovered from subsidiaries	-	-	17.90	-	-	17.90
Share Based Payments (Refer note 27)	-	-	22.79	-	-	22.79
Transferred to Retained Earnings from Employee Stock Options Outstanding	-	-	(5.98)	-	5.98	-
Dividend [Refer note 33]	-	-	-	-	(283.33)	(283.33)
Buyback expenses (Refer note 13)	-	-	-	-	(16.57)	(16.57)
<b>Balance as at March 31, 2021</b>	<b>4,962.46</b>	<b>67.18</b>	<b>150.90</b>	<b>53.60</b>	<b>10,123.14</b>	<b>15,366.90</b>
Profit for the year	4,962.46	-	-	-	1,423.17	1,423.17
Other comprehensive loss (net of tax)	-	-	-	-	(50.17)	(51.49)
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>1,373.00</b>	<b>1,371.68</b>
Additions during the year on account of exercise of Employee Stock Options Transferred to Securities Premium from Employee Stock Options outstanding	-	105.72	(42.41)	-	-	105.72
Share Based Payments recovered from subsidiaries	-	42.41	68.47	-	-	68.47
Share Based Payments (Refer note 27)	-	-	89.68	-	-	89.68
Transferred to Retained Earnings from Employee Stock Options Outstanding	-	-	(2.36)	-	2.36	-
Utilization against buyback (Refer note 13)	-	(67.18)	-	-	(2,283.07)	(2,350.25)
Creation of Capital Redemption Reserve (Refer note 13)	-	-	-	19.75	(19.75)	-
Buyback expenses (net of tax) including tax on buyback (Refer note 13)	-	-	-	-	(564.64)	(564.64)
Dividend [Refer note 33]	-	-	-	-	(734.39)	(734.39)
<b>Balance as at March 31, 2022</b>	<b>4,962.46</b>	<b>148.13</b>	<b>264.28</b>	<b>73.35</b>	<b>7,896.65</b>	<b>13,353.17</b>

The accompanying notes form an integral part of these financial statements.  
As per our report of even date.

**For S. R. Balliboi & Associates LLP**

Chartered Accountants

Firm Registration No.: 101049W/E300004

**Sanjay Bachchani**

Partner

Membership No. 400419

**For and on behalf of the Board of Directors of NIIT 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 24, 2022

**STANDALONE STATEMENT OF CASH FLOWS**

(Amount in Rs. Millions, unless otherwise stated)

	Year ended	
	March 31, 2022	March 31, 2021
<b>A. Cash Flow From Operating Activities:</b>		
<b>Profit/(Loss) before exceptional items and Tax</b>		
<b>From Continuing Operations</b>	1,436.14	1,065.98
<b>From Discontinued Operations</b>	(50.10)	(31.03)
<b>Adjustments to reconcile profit before tax to net cash flows</b>		
Depreciation and Amortisation	211.41	267.68
Advances from customers written back	(2.01)	(3.82)
Allowance for doubtful debts (net of reversal)	(3.80)	3.22
Allowance for Unbilled Revenue	43.28	19.87
Allowance for Doubtful Advances and other receivables (net of reversal)	5.12	7.84
Allowance for Slow / Non-moving Inventory (Net)	(1.04)	(18.56)
Unrealised Foreign Exchange Loss (Net)	33.92	20.31
Finance Cost	8.46	31.08
Unwinding of Discount on deferred payment liability	0.89	1.27
Share based payments	89.68	22.79
Interest Income	(185.55)	(375.59)
Rent Concession	(1.21)	-
Gain on termination of Leases (Net)	(0.89)	(0.18)
Dividend Income from Subsidiary	(743.64)	-
Gain on sale / disposal of Property, Plant and Equipment and Intangible assets (Net)	(3.33)	(12.45)
Net gain on Investment carried at fair value through profit and loss	(257.97)	(468.10)
<b>Operating cash flow before changes in working capital</b>	<b>579.36</b>	<b>530.31</b>
<b>Working Capital Adjustments</b>		
(Increase) / Decrease in Trade Receivables	(188.10)	171.26
Decrease in Inventories	1.30	23.19
(Increase) / Decrease in Non-Current Financial Assets	(0.99)	40.42
Decrease in Current Financial Assets	29.13	105.90
Increase in Other Non-Current Assets	(1.47)	(0.15)
(Increase) / Decrease in Other Current Assets	(22.23)	59.39
Increase / (Decrease) in Trade Payables	59.36	(13.75)
(Decrease) / Increase in Short Term Provisions	(86.51)	40.27
Increase / (Decrease) in Other Current Liabilities	104.80	(12.42)
Decrease in Other Non-Current Financial Liabilities	-	(0.25)
Decrease in Other Non Current Liabilities	(0.38)	(1.62)
Increase/ (Decrease) in Other Current Financial Liabilities	48.18	(58.33)
	<b>(56.91)</b>	<b>353.91</b>
<b>Net Cash flow generated from operations before tax</b>	<b>522.45</b>	<b>884.22</b>
Direct Tax- (paid including TDS) / refund received (Net)	9.68	0.19
<b>Net Cash flow generated from Operating activities before exceptional items</b>	<b>532.13</b>	<b>884.41</b>
Exceptional Items (Other than those disclosed in movement in working capital)	-	(37.77)
<b>Net Cash flow generated from operating activities (A)</b>	<b>532.13</b>	<b>846.64</b>
<b>B. Cash Flow From Investing Activities:</b>		
Purchase of Property, Plant and Equipment (including Capital Work-in-progress, internally developed intangibles and Capital Advances)	(203.15)	(118.39)
Proceeds from sale of Property, Plant and Equipment	4.45	15.02
Loans given to Subsidiary	-	(50.00)
Loan given to Subsidiary received back	-	350.00
Interest received	311.28	435.57
Dividend received from Subsidiary	743.64	-
Encashment / Placement of Fixed Deposits from / with Banks (Net)	1,457.09	(800.29)
Encashment of Deposits from other Financial Institution (Net)	773.78	476.22
Purchase of Mutual Funds	(4,106.80)	(2,339.49)
Sale of Mutual Funds	4,990.26	2,222.53
Investment in Subsidiaries	(832.39)	(811.95)
Expenses in relation to Investment in Subsidiary	(2.56)	-
Expenses in relation to Scheme of arrangement	(5.33)	-
<b>Net cash flow generated from / (used in) investing activities (B)</b>	<b>3,130.27</b>	<b>(620.78)</b>

**STANDALONE STATEMENT OF CASH FLOWS**

Contd...

(Amount in Rs. Millions, unless otherwise stated)

	Year ended	
	March 31, 2022	March 31, 2021
<b>C. Cash Flow From Financing Activities:</b>		
Issue of Shares under Employee stock options scheme	108.51	50.44
Purchase of shares under buyback scheme	(2,370.00)	-
Tax on buyback	(552.12)	-
Expenses in relation to buyback	(15.12)	(16.57)
Term Loan repaid	(66.67)	(133.33)
Payment of Lease Liabilities	(31.25)	(51.28)
Interest Paid on Term Loan	(1.01)	(15.13)
Dividend Paid	(734.82)	(279.47)
<b>Net Cash flow used in financing activities (C)</b>	<b>(3,662.48)</b>	<b>(445.34)</b>
<b>Net decrease in cash and cash equivalents (A) + (B) + (C)</b>	<b>(0.08)</b>	<b>(219.48)</b>
Cash and cash equivalents at the beginning of the year (Footnote 1)	68.50	287.98
<b>Cash and cash equivalents as at the end of the year (Footnote 1)</b>	<b>68.42</b>	<b>68.50</b>

Notes: Reconciliation of cash and cash equivalents as per the cash flow statement

1	Particulars	As at	
		March 31, 2022	March 31, 2021
	<b>Composition of Cash and cash equivalents included in the statement of cash flows comprise of the following balance sheet amounts:</b>		
	Cash and cash equivalents as per the balance sheet [Refer note 8(iv)]	57.99	57.64
	Add: Dividend accounts [Refer note 8(v)]	10.43	10.86
	<b>Total</b>	<b>68.42</b>	<b>68.50</b>

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.

As per our report of even date.

**For S.R.Batlilboid & Associates LLP**

Chartered Accountants

Firm Registration No.: 101049W/E300004

**Sanjay Bachchani**

Partner

Membership No. 400419

Place: Gurugram

Date : May 24, 2022

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

**Rajendra S Pawar**

Chairman

DIN - 00042516

**Sapnesh Kumar Lalla**

Executive Director &

Chief Executive Officer

DIN - 06808242

**Vijay K Thadani**

Vice-Chairman & Managing Director

DIN - 00042527

**Sanjay Mal**

Chief Financial Officer

**Deepak Bansal**

Company Secretary

## Notes to the Standalone Financial Statements for the year ended March 31, 2022

### 1 Company Information

NIIT Limited ('the Company') is a talent development Company which was set up in 1981. NIIT Limited currently offers learning and knowledge solutions across the globe to individuals, enterprises and various institutions. The Company is a public listed Company and is listed on Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). 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.

### 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 24, 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) 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.

## Notes to the Standalone Financial Statements for the year ended March 31, 2022 Contd..

The Company has adopted the amendments to Ind AS 116 for the first time in the previous 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.

**(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
Buildings	58 years
Leasehold Land	99 years or lease period, whichever is lower
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

Freehold land is not depreciated.

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) Investment property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

**q) 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

**r) 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.

**s) 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.

**t) 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.

**u) 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.

**v) 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.

**w) 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 its 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.

**x) 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)

**Notes to the Standalone Financial Statements for the year ended March 31, 2022 Contd..**

- 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.

**y) 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.

**z) 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.

**aa) 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.

**ab) 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.

## Notes to the Standalone Financial Statements for the year ended March 31, 2022 Contd..

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.

### ac) 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 2w and 26.
- 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 2x and 27.
- fair value measurement of financial instruments - refer notes 2ab and 28.
- 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.

### ad) 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.

**ae) Non-current assets held for sale and discontinued operations**

Non-current assets (or disposal Company) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal Company) to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs sell of an asset (or disposal Company), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal Company) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal Company) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal Company classified as held for sale continue to recognised.

Non-current assets classified as held for sale and the assets of a disposal Company classified as held for sale are presented separately from the other assets in balance sheet. The liabilities of a disposal Company classified as held for sale are presented separately from other liabilities in balance sheet.

A discontinued operations is a component of the entity that has been disposed off or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose off such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

**Notes to the Standalone Financial Statements for the year ended March 31, 2022** (Amount in Rs. Millions, unless otherwise stated) **Contd..**

**3. Property, Plant and Equipment and Capital work-in-progress**

Particulars	Land		Building (Footnote ii)	Plant & Equipments	Leasehold Improvements	Furniture & Fixtures	Vehicles	Office Equipments	Total tangible assets other than Capital Work-in-Progress	Capital Work-in-Progress	Total tangible assets
	Freehold	Leasehold (Footnote i)									
Year ended March 31, 2021											
Gross carrying amount	741.99	6.93	604.93	279.24	124.83	55.64	11.06	24.28	1,848.90	1.03	1,849.93
Opening gross carrying amount	-	-	-	32.52	-	3.69	-	3.22	39.43	-	39.43
Additions	-	-	-	17.08	59.55	11.63	1.14	3.12	92.52	1.03	93.55
Disposals/Sale	-	-	-	294.68	65.28	47.70	9.92	24.38	1,795.81	-	1,795.81
Closing gross carrying amount (A)	741.99	6.93	604.93	294.68	65.28	47.70	9.92	24.38	1,795.81	-	1,795.81
Accumulated depreciation	-	-	-	194.62	119.70	37.93	5.82	13.21	417.00	-	417.00
Opening accumulated depreciation	-	0.95	44.77	43.05	4.72	5.09	1.48	3.34	69.19	-	69.19
Depreciation charged during the year	-	0.07	11.44	16.35	59.41	11.06	1.12	2.24	90.18	-	90.18
Disposals/Sale	-	-	-	221.32	65.01	31.96	6.18	14.31	396.01	-	396.01
Closing accumulated depreciation (B)	-	1.02	56.21	73.36	0.27	15.74	3.74	10.07	1,399.80	-	1,399.80
Net Carrying Amount (A-B)	741.99	5.91	548.72	294.68	65.28	47.70	9.92	24.38	1,795.81	-	1,795.81
Year ended March 31, 2022											
Gross carrying amount	741.99	6.93	604.93	294.68	65.28	47.70	9.92	24.38	1,795.81	-	1,795.81
Opening gross carrying amount	-	-	-	78.81	0.28	0.37	15.73	0.07	95.26	-	95.26
Additions	-	-	-	9.25	2.10	2.57	2.70	0.04	16.66	-	16.66
Disposals/Sale	-	-	-	364.24	63.46	45.50	22.95	24.41	1,874.41	-	1,874.41
Closing Gross Carrying Amount (C)	741.99	6.93	604.93	364.24	63.46	45.50	22.95	24.41	1,874.41	-	1,874.41
Accumulated Depreciation	-	-	-	221.32	65.01	31.96	6.18	14.31	396.01	-	396.01
Opening accumulated depreciation	-	1.02	56.21	45.59	0.23	4.18	1.28	3.46	66.25	-	66.25
Depreciation charged during the year	-	0.07	11.44	8.69	2.10	2.03	2.70	0.02	15.54	-	15.54
Disposals/Sale	-	-	-	258.22	63.14	34.11	4.76	17.75	446.72	-	446.72
Closing accumulated depreciation (D)	-	1.09	67.65	106.02	0.32	11.39	18.19	6.66	1,427.69	-	1,427.69
Net Carrying Amount (C-D)	741.99	5.84	537.28	364.24	63.46	45.50	22.95	24.41	1,874.41	-	1,874.41

**Footnotes:**

- (i) Leasehold land represents 25 acres of land at Tehsil Behror, District Alwar is allotted for education purpose. The Company has filed an application seeking approval to transfer this land with the allotment authority, Government of Rajasthan.
- (ii) Building includes 10 shares of Rs. 50 each in the Guru Vidya Co-operative Housing Society Limited.
- (iii) For details of assets pledged as security [Refer note 14(i)].

**Notes to the Standalone Financial Statements for the year ended March 31, 2022** Contd..

(Amount in Rs. Millions, unless otherwise stated)

**4 Investment Property**

Particulars	Amount
<b>Year ended March 31, 2021</b>	
<b>Gross carrying amount</b>	
Opening gross carrying amount	0.56
<b>Closing Gross Carrying Amount</b>	<b>0.56</b>
<b>Year ended March 31, 2022</b>	
<b>Gross carrying amount</b>	
Opening gross carrying amount	0.56
<b>Closing Gross Carrying Amount</b>	<b>0.56</b>

(i) The Company has not generated any rental income from the investment property, since inception.

(ii) The Company's investment property consist of one piece of Land in district Mehsana, Gujarat, India. The management has determined that the investment property consist of only one classes of assets – Land – based on the nature, characteristics and risks of property.

**5(i) Intangible Assets, Goodwill and Intangible assets under development**

Particulars	Educational Content/ Products Internally Generated	Software Acquired	Total intangibles assets other than Goodwill and intangibles assets under development	Goodwill (refer footnote iii)	Intangible assets under development (footnote i)	Total Intangible assets
<b>Year ended March 31, 2021</b>						
<b>Gross carrying amount</b>						
Opening gross carrying amount	584.08	191.24	775.32	18.35	76.32	869.99
Additions	112.48	-	112.48	-	52.58	165.06
Transfer	-	-	-	-	112.48	112.48
Disposals/Sale	-	75.95	75.95	-	-	75.95
<b>Closing gross carrying amount (A)</b>	<b>696.56</b>	<b>115.29</b>	<b>811.85</b>	<b>18.35</b>	<b>16.42</b>	<b>846.62</b>
<b>Accumulated amortisation and impairment</b>						
Opening accumulated amortisation and impairment	414.69	156.71	571.40	-	-	571.40
Amortisation charge for the year	115.64	31.19	146.83	-	-	146.83
Disposals/Sale	-	75.70	75.70	-	-	75.70
<b>Closing accumulated amortisation (B)</b>	<b>530.33</b>	<b>112.20</b>	<b>642.53</b>	<b>-</b>	<b>-</b>	<b>642.53</b>
<b>Net carrying amount (A-B)</b>	<b>166.23</b>	<b>3.09</b>	<b>169.32</b>	<b>18.35</b>	<b>16.42</b>	<b>204.09</b>
<b>Year ended March 31, 2022</b>						
<b>Gross carrying amount</b>						
Opening gross carrying amount	696.56	115.29	811.85	18.35	16.42	846.62
Additions	52.05	14.73	66.78	-	96.74	163.52
Transfer	-	-	-	-	52.05	52.05
Disposals/Sale	-	-	-	-	-	-
<b>Closing gross carrying amount (C)</b>	<b>748.61</b>	<b>130.02</b>	<b>878.63</b>	<b>18.35</b>	<b>61.11</b>	<b>958.09</b>
<b>Accumulated Amortisation and Impairment</b>						
Opening accumulated amortisation and impairment	530.33	112.20	642.53	-	-	642.53
Amortisation charge for the year	92.28	7.57	99.85	-	-	99.85
Impairment charge for the year	-	-	-	18.35	-	18.35
Disposals/Sale	-	-	-	-	-	-
<b>Closing accumulated amortisation (D)</b>	<b>622.61</b>	<b>119.77</b>	<b>742.38</b>	<b>18.35</b>	<b>-</b>	<b>760.73</b>
<b>Net carrying amount (C-D)</b>	<b>126.00</b>	<b>10.25</b>	<b>136.25</b>	<b>-</b>	<b>61.11</b>	<b>197.36</b>

**Footnotes:-**

(i) Refer note 6 for cost incurred during the year on internally generated intangible assets.

(ii) For details of assets pledged as security [Refer note 14(i)].

(iii) The recoverable amount of the Perceptron Labs 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 carrying value exceeds the recoverable amount. As a result of this analysis, the Company has recognised an impairment charge of Rs. 18.35 Million against goodwill in the statement of profit and loss for the year ended March 31, 2022. The Company has considered discount rate of 11.75% and long term growth rate as nil.

## Notes to the Standalone Financial Statements for the year ended March 31, 2022 Contd..

(Amount in Rs. Millions, unless otherwise stated)

5(ii)	Reconciliation of Depreciation and Amortisation charged to Statement of Profit and Loss (Continuing and discontinued operations)	March 31, 2022	March 31, 2021
	<b>Depreciation and amortisation recognised in statement of profit and loss under the head depreciation and amortisation expenses</b>		
	(i) Depreciation on Property, plant and equipment	66.25	69.19
	(ii) Amortisation/Impairment on Intangible assets	118.20	146.83
	(iii) Depreciation on Right-of-use Assets	26.96	51.66
	<b>Total (A)</b>	<b>211.41</b>	<b>267.68</b>
	<b>Depreciation / Amortisation recognised in statement of profit and loss of Discontinued operations</b>		
	(i) Depreciation / Amortisation on Property, plant and equipment and Intangible assets	0.04	0.36
	(ii) Depreciation on Right-of-use Assets	-	0.28
	<b>Total (B)</b>	<b>0.04</b>	<b>0.64</b>
	<b>Depreciation / Amortisation recognised in statement of profit and loss as continuing operations (A-B)</b>	<b>211.37</b>	<b>267.04</b>

## 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 above mentioned assets. The costs incurred during the year towards the development are as follows:

Description	Year ended	
	March 31, 2022	March 31, 2021
<b>Opening Balance</b>	<b>16.42</b>	<b>76.32</b>
<b>Add:-Expenses capitalised during the year</b>		
Salary and other Employee Benefits	62.97	34.45
Professional & Technical Outsourcing Expenses	26.13	18.13
Other expenses	7.64	-
<b>Less:-Intangible assets capitalised during the year</b>	<b>(52.05)</b>	<b>(112.48)</b>
<b>Closing Balance</b>	<b>61.11</b>	<b>16.42</b>

## Ageing of Projects

Projects in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
March 31, 2022	50.95	10.16	-	-	61.11
March 31, 2021	16.42	-	-	-	16.42

## 7 Leases

7(i) The following are the amounts recognised in the statement of profit and loss for short term leases:

Particulars	Year ended	
	March 31, 2022	March 31, 2021
In respect of Premises*	2.51	2.67
In respect of Equipments**	50.86	39.99
In respect of Vehicles	1.97	2.94
	<b>55.34</b>	<b>45.60</b>

\* Includes payment in respect of premises for office and employee accommodation.

\*\* Includes payment in respect of computers, printers and other equipments.

**Notes to the Standalone Financial Statements for the year ended March 31, 2022** Contd..  
(Amount in Rs. Millions, unless otherwise stated)

7(ii) **Right-of-use Assets / (Lease Liabilities)**

The following are the carrying amount of right-of-use assets recognised and movement :

Particulars	Building	Vehicle	Total
<b>As at April 1, 2020</b>	<b>380.31</b>	<b>36.24</b>	<b>416.55</b>
Additions / Modifications	18.04	7.43	25.47
Deletion [Refer note 24(i)]	(292.35)	(3.19)	(295.54)
Depreciation	(36.61)	(15.05)	(51.66)
<b>As at March 31, 2021</b>	<b>69.39</b>	<b>25.43</b>	<b>94.82</b>
Additions / Modifications	5.57	3.94	9.51
Deletion	(5.50)	(2.99)	(8.49)
Depreciation	(14.70)	(12.26)	(26.96)
<b>As at March 31, 2022</b>	<b>54.76</b>	<b>14.12</b>	<b>68.88</b>

The following are the carrying amount of lease liabilities and movement:

Particulars	Total
<b>As at April 01, 2020</b>	<b>428.56</b>
Additions / Modifications	24.77
Deletion [Refer note 24(i)]	(309.05)
Accretion of interest	16.46
Payments	(51.28)
Rent concession*	(7.92)
<b>As at March 31, 2021</b>	<b>101.54</b>
Additions / Modifications	9.38
Deletion	(9.06)
Accretion of interest	7.98
Payments	(31.25)
Rent concession*	(1.21)
<b>As at March 31, 2022</b>	<b>77.38</b>

\*During the year, the Company has availed rent concessions of Rs. 1.21 Million (Previous year Rs. 7.92 Million) from lessors on account of COVID-19 and recorded the same as other income and exceptional income respectively in the statement of profit and loss consequent to amendment in Ind AS 116 "Leases" [Refer notes 18 and 24(ii)].

The following is the break-up of current and non-current lease liabilities:-

Particulars	March 31, 2022	March 31, 2021
Current Lease liabilities	18.73	26.33
Non-Current Lease liabilities	58.65	75.21
<b>Total</b>	<b>77.38</b>	<b>101.54</b>

The following are the amounts recognised in the statement of profit and loss:-

Particulars	March 31, 2022	March 31, 2021
Depreciation expenses of right-of-use assets*	26.96	51.38
Interest expense on lease liabilities (Refer note 20)**	7.98	16.39
Gain on termination of Leases (Net) [Refer notes 18 and 24(i)] #	(0.89)	(25.60)
<b>Total</b>	<b>34.05</b>	<b>42.17</b>

There are only fixed rental payable as per the terms of the contracts.

\*Excluding depreciation charged in discontinued operations in statement of profit and loss Rs. Nil (Previous year Rs. 0.28 Million).

\*\*Excluding Interest on lease liabilities charged in discontinued operations in statement of profit and loss Rs. Nil (Previous year Rs. 0.07 Million).

#Includes Rs. Nil (Previous year Rs. 25.42 Million) recognised as exceptional items in the statement of profit and loss [Refer note 24(i)].

The table below provides details regarding the contractual maturities of lease liabilities:

Particulars	March 31, 2022	March 31, 2021
Less than one year	18.73	26.33
One to two years	14.43	20.71
More than two years	44.22	54.50
<b>Total</b>	<b>77.38</b>	<b>101.54</b>



**Notes to the Standalone Financial Statements for the year ended March 31, 2022** **Contd..**  
(Amount in Rs. Millions, unless otherwise stated)

**8 Financial Assets**

**8(i) Investments**

**A. Non-Current Investment**

**Investments in equity instruments (fully paid)**

**Unquoted in subsidiary companies:**

**In Subsidiary Companies**

**-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 [Refer footnote (v)]

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

2,400,000 (Previous year : 2,400,000) shares of US\$ 1 each fully paid-up in NIIT GC Limited, Mauritius

389.07                              389.07

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

115,564,072 (Previous year : 115,564,072) shares of Rs. 10 each fully paid-up in NIIT Learning Systems Limited, India [Formerly known as Mindchampion Learning Systems Limited] [Refer footnote (iii)]

1,274.78                              1,274.78

Less: Provision for impairment in value of Investment [Refer note 24(iii)]

(1,253.50)                      (1,253.50)

21.28                                      21.28

8,162,500 (Previous year : 8,162,500) shares of Rs. 10 each fully paid-up in NIIT Institute of Finance Banking and Insurance Training Limited, India

85.98                                      85.98

22,000,000 (Previous year : 22,000,000) shares of Rs. 10 each fully paid-up in NIIT Institute of Process Excellence Limited, India

220.00                                      220.00

Less:- Interim Amount received pursuant to liquidation process of entity [Refer footnote (i)]

(220.00)                              (220.00)

-    -

Nil (Previous year : 60,000,000) shares of Rs. 10 each fully paid-up in NIIT Yuva Jyoti Limited, India [Refer footnote (ii)]

-    482.55

Less: Provision for impairment in value of Investment [Refer footnote (ii)]

-    (482.55)

-    -

525,000 (Previous year : Nil) shares of Rs. 10 each fully paid-up in RPS Consulting Private Limited, India [Refer footnote (iv)]

832.39                                      -

**Total Non-Current Investments**

**2,269.36**                              **1,436.97**

**B. Current Investment**

**(i) Carried at Fair Value through statement of profit and loss [Quoted]**

Investment in Mutual Funds

5,688.16                              6,313.65

**(ii) Carried at amortised cost [Unquoted]**

Investment in term deposits with Financial Institution

1,447.00                              2,220.78

**Total Current Investments**

**7,135.16**                              **8,534.43**

Aggregate amount of Unquoted Investments

5,198.23                              5,622.17

Less: Aggregate of Interim Amount received pursuant to liquidation process of entity

(220.00)                                      (220.00)

Less: Aggregate Provision for impairment in the value of Investments

(1,261.87)                                      (1,744.42)

**Total Unquoted Investments**

**3,716.36**                              **3,657.75**

Aggregate amount of Quoted Investments at market value

5,688.16                                      6,313.65

**Total Quoted Investments**

**5,688.16**                              **6,313.65**

**Total Investments**

**9,404.52**                              **9,971.40**

**Notes to the Standalone Financial Statements for the year ended March 31, 2022** Contd..  
(Amount in Rs. Millions, unless otherwise stated)

**Footnotes:-**

- (i) On February 19, 2020, the members of the NIIT Institute of Process Excellence Limited passed a special resolution at the extra-ordinary general meeting of the Company to liquidate the Company by way of voluntary liquidation. The Company shall from the date of the commencement of liquidation i.e. February 19, 2020, cease to carry on its business except as far as required for the beneficial winding up of its business. During the process of liquidation, the Liquidator had distributed an interim amount of Rs. 220 Million to the Shareholder (NIIT Limited), post realisation of assets and payment of liabilities. The voluntary liquidation of NIPE is in progress.
- (ii) On February 19, 2020, the members of the NIIT Yuva Jyoti Limited (NYJL) passed a special resolution at the extra-ordinary general meeting of the Company to liquidate the Company by way of voluntary liquidation. The Company shall from the date of the commencement of liquidation i.e. February 19, 2020, cease to carry on its business except as far as required for the beneficial winding up of its business. During the year, NCLT vide its order dated February 25, 2022, read with the rectification order dated March 23, 2022 approved the dissolution of NYJL with effect from February 25, 2022. Consequent to the above, all the shares held by the Company in NYJL were cancelled.
- (iii) During the financial year 2019-20, the Company decided to divest NIIT Learning Systems Limited (NLSL) [Formerly known as Mindchampion Learning Systems Limited], to a strategic or financial investor. Therefore as per provisions of Ind AS 105 - 'Non-current assets held for sale and Discontinued Operations', the investment made by the Company in NLSL was classified as 'Asset held for Sale'. The Board of Directors in its meeting held on January 28, 2022 decided not to pursue the process of divestment of NLSL and leverage its assets and resources of the company for its offerings in the education sector and house the CLG Business Undertaking under the Scheme. Consequently, as per Ind AS 105 the investment of NLSL has been reclassified as non-current investment with corresponding restatement in the previous year [Refer note 38(ix)].
- (iv) During the year, the Company entered into Share Purchase Agreement and other transaction documents with RPS Consulting Private Limited ("RPS") and promoters/existing shareholders of RPS to acquire 70% equity shareholding (on a fully diluted basis) for a consideration of Rs. 826.61 Million. The remaining 30% shareholding of RPS will be acquired by the Company in next 2 tranches based on achievement of certain financial milestones in terms of the transaction documents. Acquisition related cost of Rs. 5.78 Million that are directly attributable to the acquisition of investment in RPS, has been added to the cost of the investment and other indirect cost has been recognised as an exceptional item in the statement of profit and loss for the year ended March 31, 2022.
- (v) The Board of Directors of the Company at its meeting held on June 4, 2021, approved the merger of Eagle International Institute, Inc., USA (step down subsidiary of the Company) with its holding company i.e. NIIT (USA) Inc., USA (a wholly owned subsidiary of the Company). The merger has been made effective from July 1, 2021.

8(ii) Other Financial Assets	As at			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non-Current		Current	
<b>a) Security Deposits</b>				
Unsecured, considered good	5.48	3.68	2.20	7.87
Unsecured, considered doubtful	14.39	14.39	-	-
Less: Allowance for doubtful deposits	(14.39)	(14.39)	-	-
	<b>5.48</b>	<b>3.68</b>	<b>2.20</b>	<b>7.87</b>
<b>b) Contract Assets - Unbilled Revenue</b>				
Unsecured, considered good (Refer note 17.1) *	-	-	158.48	140.94
Unsecured, considered doubtful	-	-	91.31	48.03
Less: Allowance for doubtful unbilled revenue (Refer note 29)	-	-	(91.31)	(48.03)
	-	-	<b>158.48</b>	<b>140.94</b>
<b>c) Interest Receivable</b>				
Interest Accrued on bank and other deposits	0.20	-	106.15	232.71
	<b>0.20</b>	-	<b>106.15</b>	<b>232.71</b>
<b>d) Derivative Assets (Refer note 29)</b>				
	-	-	16.20	26.34
	-	-	<b>16.20</b>	<b>26.34</b>
<b>e) Other Receivables</b>				
Other Receivables	-	-	196.77	269.57
Receivables from related parties	-	-	166.77	109.93
Unsecured, considered doubtful	-	-	11.47	7.23
Less: Allowance for doubtful receivables	-	-	(11.47)	(7.23)
	-	-	<b>363.54</b>	<b>379.50</b>
<b>f) Bank deposits</b>				
With remaining maturity of less than 12 months	-	-	877.50	373.07
With remaining maturity of more than 12 months**	39.25	-	-	-
	<b>39.25</b>	-	<b>877.50</b>	<b>373.07</b>
	<b>44.93</b>	<b>3.68</b>	<b>1,524.07</b>	<b>1,160.43</b>

\*Includes unbilled revenue from related parties Rs. 1.80 Million (Previous year Rs. Nil).

\*\*Deposit of Rs. 0.25 Million (Previous year Rs. Nil) pledged as margin money with bank for issuance of bank guarantees.

## Notes to the Standalone Financial Statements for the year ended March 31, 2022 Contd..

(Amount in Rs. Millions, unless otherwise stated)

## 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	150.77	7.71	-	-	-	158.48
Undisputed Unbilled revenue - Credit impaired	-	-	0.30	1.83	89.18	91.31
<b>Total</b>	<b>150.77</b>	<b>7.71</b>	<b>0.30</b>	<b>1.83</b>	<b>89.18</b>	<b>249.79</b>
Less: Allowance for doubtful unbilled revenue						(91.31)
<b>Total Unbilled Revenue</b>						<b>158.48</b>

## Ageing of unbilled revenue from transaction date as at March 31, 2021

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	101.36	2.73	1.83	-	35.02	140.94
Undisputed Unbilled revenue - Credit impaired	-	-	-	-	48.03	48.03
<b>Total</b>	<b>101.36</b>	<b>2.73</b>	<b>1.83</b>	<b>-</b>	<b>83.05</b>	<b>188.97</b>
Less: Allowance for doubtful unbilled revenue						(48.03)
<b>Total Unbilled Revenue</b>						<b>140.94</b>

## 8(iii) Trade Receivables

	As at	
	March 31, 2022	March 31, 2021
	Current	
Unsecured, considered good		
Trade Receivables	425.93	250.84
Receivables from related parties	463.97	477.78
Unsecured - credit impaired	312.92	329.79
Less: Allowance for doubtful debts (Refer note 29)	(312.92)	(329.79)
	<b>889.90</b>	<b>728.62</b>

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

## 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	816.95	67.63	4.68	-	0.64	-	889.90
Undisputed Trade Receivables - credit impaired	0.18	0.39	0.91	0.37	11.56	299.51	312.92
<b>Total</b>	<b>817.13</b>	<b>68.02</b>	<b>5.59</b>	<b>0.37</b>	<b>12.20</b>	<b>299.51</b>	<b>1,202.82</b>
Less: Allowance for doubtful debts							(312.92)
<b>Total Trade Receivables</b>							<b>889.90</b>

## Ageing of Trade Receivables as at March 31, 2021

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	624.47	38.55	21.81	43.79	-	-	728.62
Undisputed Trade Receivables - credit impaired	0.19	0.18	1.75	19.04	6.46	302.17	329.79
<b>Total</b>	<b>624.66</b>	<b>38.73</b>	<b>23.56</b>	<b>62.83</b>	<b>6.46</b>	<b>302.17</b>	<b>1,058.41</b>
Less: Allowance for doubtful debts							(329.79)
<b>Total Trade Receivables</b>							<b>728.62</b>

**Notes to the Standalone Financial Statements for the year ended March 31, 2022** Contd..  
(Amount in Rs. Millions, unless otherwise stated)

8(iv) Cash and Cash Equivalents	As at	
	March 31, 2022	March 31, 2021
	Current	
Balance with banks		
-Current accounts	57.99	32.64
-Deposits with original maturity of less than 3 months*	-	25.00
	<b>57.99</b>	<b>57.64</b>

\*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.

8(v) Bank Balances other than above	As at	
	March 31, 2022	March 31, 2021
	Bank deposits	
-With original maturity of more than 3 months and upto 12 months*	930.23	2,931.00
Dividend accounts	10.43	10.86
	<b>940.66</b>	<b>2,941.86</b>

\*Deposit of Rs. 0.10 Million (Previous year Rs. 2.24 Million) pledged as margin money with bank for issuance of bank guarantees. 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.

9 Tax Assets (Net)	As at	
	March 31, 2022	March 31, 2021
	<b>9(i) Deferred tax assets/ liabilities</b>	
<b>Deferred Tax Assets</b>		
The balance comprises temporary differences attributable to:		
Provision for Employee benefits	69.22	74.01
Provision for Doubtful debts, Unbilled revenue, inventory & other assets	106.08	99.99
Provision for Contingency	11.22	11.22
Difference between carrying value of Property, plant and equipment and intangible assets in the financial statements and as per the Income Tax	75.74	94.36
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	2.14	1.69
Long Term Capital Loss upon NIIT Yuva Jyoti Limited (NYJL) Liquidation [Refer notes (b) below and 8(i)]	179.51	-
Scheme related expenses	4.91	-
<b>Deferred Tax Liabilities</b>		
Unrealised gain on Investment marked to market	(203.51)	(174.92)
Others	(0.18)	-
<b>Net Deferred Tax Assets recognised</b>	<b>245.13</b>	<b>106.35</b>

- a) Deferred Tax Assets and Liabilities are being offset as they relate to taxes on income levied by the tax jurisdiction in India.  
b) Based on the expected return on investments as per future business plan, the Company has recognised Deferred Tax Asset of Rs. 179.51 Million on long term capital losses on cancellation of shares of NYJL [Refer note 25(b)].

The movement in deferred tax assets during the year is as follows:

Particulars	Amount
<b>Opening balance as at April 1, 2020</b>	<b>198.05</b>
Movement during the year recognised in statement of profit and loss	(104.67)
Movement during the year recognised in other comprehensive income	12.97
<b>As at March 31, 2021</b>	<b>106.35</b>
Movement during the year recognised in statement of profit and loss	111.01
Movement during the year recognised in other comprehensive income	16.88
Movement during the year recognised in statement of profit and loss from discontinued operations (Refer note 37)	10.89
<b>As at March 31, 2022</b>	<b>245.13</b>

9(ii) Income tax assets / (liabilities) (Net)	As at			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non-Current		Current	
Advance Income Tax	439.52	1,911.16	-	51.05
Less : Provision for Income Tax	(121.46)	(1,516.39)	-	(59.26)
	<b>318.06</b>	<b>394.77</b>	-	<b>(8.21)</b>

**Notes to the Standalone Financial Statements for the year ended March 31, 2022** Contd..  
(Amount in Rs. Millions, unless otherwise stated)

		As at			
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		Non-Current		Current	
<b>10</b>	<b>Other Assets</b>				
	<b>i) Capital Advances</b>				
	Unsecured, considered good	16.51	-	-	-
		<u>16.51</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b>ii) Advances to Suppliers in cash or in kind</b>				
	Unsecured, considered good	-	-	17.78	19.04
	Unsecured, considered doubtful	-	-	7.81	9.74
	Less: Allowance for doubtful advances	-	-	(7.81)	(9.74)
		<u>-</u>	<u>-</u>	<u>17.78</u>	<u>19.04</u>
	<b>iii) Other Advances recoverable in cash or in kind</b>				
	Unsecured, considered good*	0.28	0.05	8.17	7.45
	Unsecured, considered doubtful	-	-	0.84	1.85
	Less: Allowance for doubtful advances	-	-	(0.84)	(1.85)
		<u>0.28</u>	<u>0.05</u>	<u>8.17</u>	<u>7.45</u>
	*Includes recoverable from related parties Rs. 0.26 Million (Previous year Rs. 0.48 Million).				
	<b>iv) Prepaid expenses</b>				
	Unsecured, considered good	1.44	0.20	106.82	76.99
		<u>1.44</u>	<u>0.20</u>	<u>106.82</u>	<u>76.99</u>
	<b>v) Balances with Government Authorities (net)</b>	-	-	10.20	17.32
		<u>-</u>	<u>-</u>	<u>10.20</u>	<u>17.32</u>
		<u>18.23</u>	<u>0.25</u>	<u>142.97</u>	<u>120.80</u>

		As at	
		March 31, 2022	March 31, 2021
<b>11</b>	<b>Inventories</b>		
	<b>As at the end of the year</b>		
	Stock-in-trade		
	Education and Training Material*	-	0.26
		<u>-</u>	<u>0.26</u>
	<b>As at the beginning of the year</b>		
	Stock-in-trade		
	Education and training material*	0.26	4.89
		<u>0.26</u>	<u>4.89</u>
	<b>Decrease in inventories</b>	<u>0.26</u>	<u>4.63</u>

\* Net of provision for non-moving inventories of Rs. 0.24 Million (Previous year Rs. 1.28 Million).

**12 Share Capital**

**a) Authorised share capital**

Particulars	Equity shares of Rs. 2 each		Redeemable preference shares of Rs. 100 each		Cumulative redeemable preference shares of Rs. 1 each	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
As at April 1, 2020	411,000,000	822.00	2,500,000	250.00	350,000,000	350.00
Addition during the year	-	-	-	-	-	-
As at March 31, 2021	411,000,000	822.00	2,500,000	250.00	350,000,000	350.00
Addition during the year	-	-	-	-	-	-
As at March 31, 2022	411,000,000	822.00	2,500,000	250.00	350,000,000	350.00

**Notes to the Standalone Financial Statements for the year ended March 31, 2022** Contd..  
(Amount in Rs. Millions, unless otherwise stated)

**b) Movement in equity share capital**

Subscribed and paid up share capital	Equity shares	
	Number of shares	Amount
<b>As at April 1, 2020*</b>	<b>141,508,401</b>	<b>283.03</b>
Issued during the year (Refer note 27)	836,583	1.67
<b>As at March 31, 2021</b>	<b>142,344,984</b>	<b>284.70</b>
Issued during the year (Refer note 27)	1,397,263	2.79
Shares extinguished on Buyback #	(9,875,000)	(19.75)
<b>As at March 31, 2022</b>	<b>133,867,247</b>	<b>267.74</b>

\* Paid up share capital includes Rs. 0.01 Million originally paid up towards 6,000 forfeited shares.

# During the year, the Company has concluded the buyback of 9,875,000 equity shares at a price of Rs. 240 per equity share ("Buyback") as approved earlier by the Board of Directors on December 24, 2020. Buyback was completed on May 7, 2021 and the equity shares bought back were extinguished on May 11, 2021. Total outflow of Rs. 2,370 Million has been utilised from the share capital, securities premium account and retained earnings, in line with the requirement under the Companies Act 2013. Further tax on Buyback and Buyback related expenses amounting to Rs. 552.12 Million and Rs. 15.12 Million (Previous year: Rs. 16.57 Million) respectively have also been utilised from retained earnings. Additionally, Capital Redemption Reserve of Rs. 19.75 Million (equivalent to nominal value of the equity shares bought back) has been created out of retained earnings, in line with the requirement under the Companies Act 2013. Consequent to extinguishment of shares so bought back, the paid-up equity share capital has been reduced by Rs. 19.75 Million (Refer note 13).

**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 27.

**e) Details of Shareholders holding more than 5% shares in the Company**

Particulars	March 31, 2022		March 31, 2021	
	Number of shares	% of holding	Number of shares	% of holding
Rajendra Singh Pawar as Trustee of Pawar Family Trust	22,445,644	16.77%	23,280,989	16.36%
Vijay Kumar Thadani as Trustee of Thadani Family Trust	22,994,229	17.18%	23,830,065	16.74%
Nippon Life India Trustee Ltd - A/c Nippon India Small Cap Fund	10,139,961	7.57%	10,130,712	7.12%
Massachusetts Institute of Technology	7,714,530	5.76%	8,820,000	6.20%
<b>Total</b>	<b>63,294,364</b>	<b>47.28%</b>	<b>66,061,766</b>	<b>46.42%</b>

**f) Other details of equity shares for a period of five years immediately preceding March 31, 2022**

**Equity shares extinguished on buyback**

During the financial year 2019-20, the Company bought back 26,800,000 equity shares for an aggregate amount of Rs. 3,350 Million (excluding taxes, fees and expenses) at a price of Rs. 125 per equity share. The equity shares bought back were extinguished on December 23, 2019.

**g) Details of shares held by promoters and Promoter Group**

**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
<b>Promoters</b>					
Rajendra Singh Pawar	155,000	-	155,000	0.12%	0.00%
Vijay Kumar Thadani	155,000	-	155,000	0.12%	0.00%
<b>Promoter Group</b>					
Rajendra Singh Pawar as Trustee of Pawar Family Trust	23,280,989	(835,345)	22,445,644	16.77%	(3.59%)
Vijay Kumar Thadani as Trustee of Thadani Family Trust	23,830,065	(835,836)	22,994,229	17.18%	(3.51%)

## Notes to the Standalone Financial Statements for the year ended March 31, 2022 Contd..

(Amount in Rs. Millions, unless otherwise stated)

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
Arvind Thakur	606,508	(39,679)	566,829	0.42%	(6.54%)
Neeti Pawar and Rajendra Singh Pawar	427,326	-	427,326	0.32%	0.00%
Urvashi Pawar	56,250	-	56,250	0.04%	0.00%
Unnati Pawar	56,242	-	56,242	0.04%	0.00%
Udai Pawar	7,500	-	7,500	0.01%	0.00%
R S Pawar HUF	2,527	-	2,527	0.00%	0.00%
V K Thadani HUF	2,527	-	2,527	0.00%	0.00%
Renu Kanwar and Vandana Katoch	2,339	-	2,339	0.00%	0.00%
Santosh Dogra	1,687	-	1,687	0.00%	0.00%
Renuka Vijay Thadani and Vijay Kumar Thadani	1,000	-	1,000	0.00%	0.00%
Kailash K Singh and Yogesh Singh	750	-	750	0.00%	0.00%
Janki Jamwal and Neeti Pawar	652	-	652	0.00%	0.00%
Janki Jamwal and Pramod Singh Jamwal	562	-	562	0.00%	0.00%
Janki Jamwal and Keerti Katoch	562	-	562	0.00%	0.00%
Rasina Uberoi	15,464	-	15,464	0.01%	0.00%
Rubika Vinod Chablani*	1,687	-	1,687	0.00%	0.00%

\*Mr. Chablani Vinod passed away on November 12, 2021 and shares were transmitted in the name of Second shareholder i.e. Rubika Vinod Chablani on January 7, 2022.

## As at March 31, 2021

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
<b>Promoters</b>					
Rajendra Singh Pawar	155,000	-	155,000	0.11%	0.00%
Vijay Kumar Thadani	155,000	-	155,000	0.11%	0.00%
<b>Promoter Group</b>					
Rajendra Singh Pawar as Trustee of Pawar Family Trust	23,280,989	-	23,280,989	16.36%	0.00%
Vijay Kumar Thadani as Trustee of Thadani Family Trust	23,830,065	-	23,830,065	16.74%	0.00%
Arvind Thakur	606,508	-	606,508	0.43%	0.00%
Neeti Pawar and Rajendra Singh Pawar	427,326	-	427,326	0.30%	0.00%
Urvashi Pawar	56,250	-	56,250	0.04%	0.00%
Unnati Pawar	56,242	-	56,242	0.04%	0.00%
Udai Pawar	7,500	-	7,500	0.01%	0.00%
R S Pawar HUF	2,527	-	2,527	0.00%	0.00%
V K Thadani HUF	2,527	-	2,527	0.00%	0.00%
Renu Kanwar and Vandana Katoch	2,339	-	2,339	0.00%	0.00%
Santosh Dogra	1,687	-	1,687	0.00%	0.00%
Renuka Vijay Thadani and Vijay Kumar Thadani	1,000	-	1,000	0.00%	0.00%
Kailash K Singh and Yogesh Singh	750	-	750	0.00%	0.00%
Janki Jamwal and Neeti Pawar	652	-	652	0.00%	0.00%
Janki Jamwal and Pramod Singh Jamwal	562	-	562	0.00%	0.00%
Janki Jamwal and Keerti Katoch	562	-	562	0.00%	0.00%
Rasina Uberoi	15,464	-	15,464	0.01%	0.00%
Vinod Chablani and Rubika Vinod Chablani	1,687	-	1,687	0.00%	0.00%

**Notes to the Standalone Financial Statements for the year ended March 31, 2022** **Contd..**  
 (Amount in Rs. Millions, unless otherwise stated)

13 Other Equity	As at				
	March 31, 2022		March 31, 2021		
<b>Particulars</b>					
<b>Reserves and Surplus [Refer note 13(i)]</b>					
Capital Reserve	4,962.46		4,962.46		
Securities Premium	148.13		67.18		
Employees Stock Option Outstanding	264.28		150.90		
Retained Earnings	7,896.65		10,123.14		
Capital Redemption Reserve	73.35		53.60		
	<b>13,344.87</b>		<b>15,357.28</b>		
<b>Other Reserves [Refer note 13(ii)]</b>					
Hedging Reserve Account	8.30		9.62		
<b>Total Other Equity</b>	<b>13,353.17</b>		<b>15,366.90</b>		
As at					
		March 31, 2022		March 31, 2021	
<b>13(i) Reserves and Surplus</b>					
<b>a) Capital Reserve [Refer footnote (i)]</b>					
Opening Balance	4,962.46		4,962.46		
Add: Increase / (decrease) during the year	-	4,962.46	-	4,962.46	
<b>b) Securities Premium [Refer footnote (ii)]</b>					
Opening Balance	67.18		-		
Add / (less) :-					
Additions during the year on account of exercise of ESOP	105.72		48.77		
Transferred from ESOP reserve on ESOP exercised	42.41		18.41		
Utilization against buyback of shares [Refer note 12(b)]	(67.18)	148.13	-	67.18	
<b>c) Employees Stock Option Outstanding</b>					
Opening Balance	150.90		134.60		
Add / (less) :-					
Transferred to retained earnings [Refer footnote (iii)]	(2.36)		(5.98)		
Transferred to securities premium on exercise of ESOP	(42.41)		(18.41)		
Share based payments (Refer note 27)	89.68		22.79		
Share based payments recovered from Subsidiaries	68.47	264.28	17.90	150.90	
<b>d) Retained Earnings</b>					
Opening Balance	10,123.14		9,919.51		
Add / (less) :-					
Profit for the year	1,423.17		536.11		
Transferred from ESOP Reserve [Refer footnote (iii)]	2.36		5.98		
Dividend [Refer note 33]	(734.39)		(283.33)		
Utilization against buyback of shares [Refer note 12(b)]	(2,283.07)		-		
Transferred to Capital Redemption Reserve [Refer note 12(b)]	(19.75)		-		
Tax and expenses (net of tax) on buyback [Refer note 12(b)]	(564.64)		(16.57)		
Other Comprehensive Loss (net of tax)	(50.17)	7,896.65	(38.56)	10,123.14	
<b>e) Capital Redemption Reserve [Refer footnote (iv)]</b>					
Opening Balance	53.60		53.60		
Add:-Transferred from retained earnings [Refer note 12(b)]	19.75	73.35	-	53.60	
<b>Total Reserves and Surplus</b>	<b>13,344.87</b>		<b>15,357.28</b>		



**Notes to the Standalone Financial Statements for the year ended March 31, 2022** **Contd..**  
(Amount in Rs. Millions, unless otherwise stated)

	As at			
	March 31, 2022		March 31, 2021	
<b>13(ii) Other Reserves</b>				
<b>Hedging Reserve Account (Cash flow Hedge) [Refer footnote (v)]</b>				
Opening Balance	9.62		(25.95)	
Add / (less) :-				
Impact of restatement of derivative on Receivables	(1.46)		31.70	
Impact of restatement of derivative on Term Loan	4.05		14.47	
Impact of restatement of interest	(0.14)		(0.26)	
Movement in Derivative Instrument Fair Value Asset/ (Liability)	(3.77)		8.30	
	8.30		(10.34)	
<b>Total Other Reserves</b>	<b>8.30</b>		<b>9.62</b>	

**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) During the year, the Company has transferred employee stock option outstanding of Rs. 2.36 Million (Previous year Rs. 5.98 Million) to retained earnings on account of lapse of vested options.
- (iv) As per Companies Act, 2013, capital redemption reserve is created when Company purchases its own shares out of free reserves or security premium. A sum equal to the nominal value of shares so purchased is transferred to capital redemption reserve. The reserve can be utilised in accordance with the provisions of Section 69 of Companies Act, 2013.
- (v) 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 29. 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.

**14 Financial Liabilities**

	As at			
	March 31, 2022		March 31, 2021	
<b>14(i) Borrowings</b>	Non-Current		Current Maturities	
<b>Secured</b>				
Term Loans from Banks				
- Foreign Currency Term Loans#	-	-	-	70.72
	-	-	-	70.72
<b>Unsecured</b>				
From other Parties				
- Deferred payment liabilities	5.31	-	4.86	-
	5.31	-	4.86	-
	5.31	-	4.86	70.72

**#Details of Interest and Security given against loans :-**

During the year, the Company has repaid foreign currency loan of USD 0.96 Million equivalent to Rs. 66.67 Million which was fully hedged by converting it from the floating rate in USD 3 Month Libor with spread of 135 bps into fixed rate Rupee loan through a currency swap at a spot reference (USD INR) exchange rate of USD 1 = INR 68.98, through full maturity of the loan. The said loan was secured by way of whole of the Company's tangible and intangible, moveable fixed assets, both present and future, land and building of the Company at Sector-34, Gurugram. The rate of interest on fully hedged equivalent loan amount was fixed at 9.25% p.a. for the tenure of the loan.

	As at	
	March 31, 2022	March 31, 2021
<b>14(ii) Trade Payables</b>	<b>Current</b>	
Total outstanding dues of creditors other than micro enterprises and small enterprises	368.91	294.96
Total outstanding dues of micro enterprises and small enterprises	33.48	8.13
Trade Payables to related parties	199.06	220.24
	<b>601.45</b>	<b>523.33</b>

Trade payables are non-interest bearing and are normally settled on 45 days term.

**Notes to the Standalone Financial Statements for the year ended March 31, 2022** Contd..

(Amount in Rs. Millions, unless otherwise stated)

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, 2022	March 31, 2021
a) The principal amount and the interest due thereon remaining unpaid to any supplier		
i) Principal amount	33.48	8.13
ii) Interest thereon	0.00	0.00
b) The amount of payment made to the supplier beyond the appointed day and the interest thereon, during an accounting year		
i) Principal amount	12.81	13.14
ii) Interest thereon	0.03	0.08
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	0.00	0.00
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, 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	33.48	-	-	-	-	33.48
Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	148.42	133.95	2.05	1.46	31.32	317.20
<b>Total</b>	<b>181.90</b>	<b>133.95</b>	<b>2.05</b>	<b>1.46</b>	<b>31.32</b>	<b>350.68</b>
Add: Unbilled dues						250.77
<b>Total trade payables</b>						<b>601.45</b>

**Ageing of trade payables 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	7.99	0.14	-	-	-	8.13
Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	158.35	115.77	5.61	1.04	31.26	312.03
<b>Total</b>	<b>166.34</b>	<b>115.91</b>	<b>5.61</b>	<b>1.04</b>	<b>31.26</b>	<b>320.16</b>
Add: Unbilled dues						203.17
<b>Total trade payables</b>						<b>523.33</b>

**14(iii) Other Financial Liabilities**

	As at			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non-Current		Current	
Interest accrued but not due on borrowings	-	-	-	0.39
Unpaid dividends *	-	-	10.43	10.86
Security Deposits	0.52	0.52	-	-
Other Payables **	-	-	388.37	329.39
	<b>0.52</b>	<b>0.52</b>	<b>398.80</b>	<b>340.64</b>

\* There are no amounts due for payment to the Investor Protection Fund as at the year end.

\*\* Includes Payable to Employees amounting to Rs. 307.50 Million (Previous year Rs. 251.90 Million ), Payables to related parties Rs. 7.52 Million (Previous year Rs. 29.70 Million) and Capital Creditors amounting to Rs. 13.84 Million (Previous year Rs. 3.04 Million).

## Notes to the Standalone Financial Statements for the year ended March 31, 2022 Contd..

(Amount in Rs. Millions, unless otherwise stated)

15 Provisions	As at	
	March 31, 2022	March 31, 2021
	Current	
Provision for Employee Benefits :		
-Provision for Gratuity (Refer note 26)	170.60	203.99
-Provision for Compensated Absences	93.04	79.11
Provision for indirect tax under litigation	44.57	44.57
	<b>308.21</b>	<b>327.67</b>

The movement of provision towards indirect tax litigation is as below:-

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening balance	44.57	49.60
Utilised/(written back) during the year	-	(5.03)
<b>Closing balance</b>	<b>44.57</b>	<b>44.57</b>

16 Other Liabilities	As at			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non-Current		Current	
<b>Contract Liabilities (Refer note 17.1)</b>				
-Deferred Revenue	0.79	1.17	11.25	9.44
-Advances from Customers	-	-	145.86	79.11
Statutory Dues*	-	-	105.61	71.38
	<b>0.79</b>	<b>1.17</b>	<b>262.72</b>	<b>159.93</b>

\*Statutory Dues mainly includes withholding tax and Contribution to Provident fund etc.

17 Revenue From Operations	Year ended	
	March 31, 2022	March 31, 2021
	Sale of products : Courseware	45.62
Sale of Services	4,406.71	3,634.50
Less: Discounts & Rebates	(0.43)	(0.21)
	<b>4,451.90</b>	<b>3,680.85</b>

### 17.1 Disclosure under Ind AS - 115 (Revenue from contracts with customers)

#### a. Disaggregated revenue information

##### Type of Services

Sale of Courseware and Training Material	45.62	46.56
Sale of Services	4,406.28	3,634.29
	<b>4,451.90</b>	<b>3,680.85</b>

##### Timing of Revenue Recognition

Goods (Courseware, Training Material) transferred at a point in time	45.62	46.56
Services transferred over time	4,406.28	3,634.29
	<b>4,451.90</b>	<b>3,680.85</b>

#### b. Contract Balances

Trade Receivables [Refer note 8(iii)]	889.90	728.62
Contract Assets [Refer note 8(ii)]	158.48	140.94
Contract Liabilities (Refer note 16)	(157.90)	(89.72)

Trade receivables are non-interest bearing and are generally on terms of 30 - 90 days. A sum of Rs. (3.80) Million (Previous year Rs. 3.22 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. 43.28 Million (Previous year Rs. 19.87 Million) 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:

Revenue as per contracted price	4,417.89	3,671.22
<b>Adjustments</b>		
Gain on hedging contracts	34.44	9.84
Discount	(0.43)	(0.21)
	<b>4,451.90</b>	<b>3,680.85</b>

#### 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, 2022, there were no remaining performance obligation as the same is satisfied upon delivery of goods/services.

**Notes to the Standalone Financial Statements for the year ended March 31, 2022** **Contd..**  
(Amount in Rs. Millions, unless otherwise stated)

18 Other Income	Year ended	
	March 31, 2022	March 31, 2021
Interest Income		
-Interest Income on Bank and other Deposits carried at amortized cost	168.54	327.60
- Unwinding of Interest on Security Deposit	0.62	1.41
- Others	15.99	46.02
Dividend Income from Subsidiaries	743.64	-
Net gain on Investment carried at fair value through profit and loss	257.97	468.10
Gain on sale / disposal of Property, Plant and Equipment and Intangible assets (Net)	3.27	12.24
Gain on termination of Leases (Net)	0.89	0.18
Gain on foreign currency translation and transaction (Net)	21.60	0.73
Recovery from Subsidiaries for Corporate and Management Support Services (Refer note 35)	298.43	243.63
Provision for Doubtful debts written back (Refer note 29)	3.30	-
Advances from customers written back	2.01	3.82
Rent concession	1.21	-
Other non-operating income	15.57	22.13
	<b>1,533.04</b>	<b>1,125.86</b>

19 Employee Benefits Expenses#	Year ended	
	March 31, 2022	March 31, 2021
Salary, Wages and Bonus	2,140.85	1,728.78
Contribution to Provident and Other Funds* (Refer note 26)	142.35	108.29
Share Based Payments (Refer note 27)	89.66	22.66
Staff Welfare expense	55.29	26.65
	<b>2,428.15</b>	<b>1,886.38</b>

# Net of Rs. 62.97 Million (Previous year Rs. 34.45 Million) capitalised in intangible assets (Refer note 6).

\* 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.

20 Finance Costs	Year ended	
	March 31, 2022	March 31, 2021
Interest expense	1.37	15.89
Interest on lease liabilities [Refer note 7(ii)]	7.98	16.39
	<b>9.35</b>	<b>32.28</b>

21 Other Expenses *	Year ended	
	March 31, 2022	March 31, 2021
Equipment Hiring [Refer note 7(i)]	50.86	39.99
Software Subscriptions	54.01	-
Royalties	29.11	14.37
Freight and Cartage	3.43	5.17
Rent [Refer note 7(i)]	4.48	5.61
Rates and Taxes	1.55	1.71
Power & Fuel	15.04	20.88
Communication	29.51	30.51
Legal and Professional (Refer note 23)	238.63	139.48
Travelling and Conveyance	18.21	8.07
Allowance for Doubtful Debts (Refer note 29)	-	3.22

**Notes to the Standalone Financial Statements for the year ended March 31, 2022** **Contd..**  
(Amount in Rs. Millions, unless otherwise stated)

	Year ended	
	March 31, 2022	March 31, 2021
Bad Debts Written off	13.07	510.05
Less:- Provision for Doubtful debts written back	(13.07)	(510.05)
Allowance for Doubtful Advances and other receivables	4.30	7.99
Advances written off	3.00	0.49
Less:- Provision for advances written back	(3.00)	(0.49)
Provision for doubtful unbilled revenue (Refer note 29)	-	4.67
Insurance	8.12	7.71
Repairs and Maintenance		
- Plant and Machinery	15.55	15.53
- Buildings	5.46	2.13
- Others	19.07	28.33
Consumables	16.75	32.71
Security and Administration Services	22.44	27.97
Bank Charges	1.52	3.58
Donation	-	10.20
Expenditure towards Corporate Social Responsibility (CSR) activities (Refer note 22)	5.70	3.10
Marketing and Advertising Expenses	199.29	61.03
Sundry Expenses	6.18	4.22
	<b>749.21</b>	<b>478.18</b>

\* Net of Rs. 7.64 Million (Previous year Rs. Nil) capitalised in intangible assets (Refer note 6).

	Year ended	
	March 31, 2022	March 31, 2021
<b>22 Corporate Social Responsibility Expenditure</b>		
a) Gross amount required to be spent by the Company during the year	5.60	3.03
b) Amount approved by the board to be spent during the year	5.70	3.10
c) Amount spent during the year:		
-Construction/acquisition of any asset	-	-
-On purposes other than above	5.70	3.10
d) Details of related party transactions in relation to CSR expenditure		
-Contribution to NIIT Institute of Information Technology	5.70	3.10
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 2021-22 & 2020-21)

	Year ended	
	March 31, 2022	March 31, 2021
<b>23 Payment To Auditors (included in legal and professional fees and exceptional items)</b>		
Audit Fee	8.07	6.69
Tax Audit Fee	0.52	0.49
Limited Review Fee	3.68	3.41
For other Certification#	2.48	1.10
For reimbursement of expenses (excluding GST)	0.69	0.78
	<b>15.44</b>	<b>12.47</b>

# Fees of Rs. 0.12 Million (Previous year Rs. 0.30 Million) for buyback certification has been charged to retained earnings as part of buyback expenses. Further Fee of Rs. 1.75 Million towards Composite Scheme related certification has been charged to Exceptional items.

## Notes to the Standalone Financial Statements for the year ended March 31, 2022 Contd..

(Amount in Rs. Millions, unless otherwise stated)

24 Exceptional Items	Year ended	
	March 31, 2022	March 31, 2021
<b>Income :</b>		
Gain on termination of leases [Refer footnote (i) below]	-	25.42
Lease discount received [Refer footnote (ii) below]	-	7.92
<b>Expenses :</b>		
Expenses against committed contracts and other related expenses [Refer footnote (i) below]	-	(28.77)
Compensation to Vendors [Refer footnote (i) below]	-	(9.00)
Provision for Impairment of Investment / Loan in NIIT Learning Systems Limited (net) [Formerly known as Mindchampion Learning Systems Limited] [Refer footnote (iii) below]	-	(382.53)
Legal and professional cost towards acquisition [Refer note 8(i)]	(3.85)	-
Legal and professional cost towards scheme of arrangement [Refer note 38(ix)]	(19.50)	-
	<u>(23.35)</u>	<u>(386.96)</u>

**Footnotes:**

- (i) During the previous year, the Company continued to accelerate transition from face to face learning to Digital in its Skills & Careers business. Based on student choices in the changed environment and considering viability of Company operated education centres, the Company had decided to vacate some of its leased premises in India. Accordingly, net carrying amount of right-of-use assets, lease liabilities and security deposit in respect of such leased premises amounting to Rs. 25.42 Million had been reversed as exceptional income and the Company had also incurred additional expenses amounting to Rs. 28.77 Million for committed contracts, other related expenses and compensation to vendors amounting to Rs. 9.00 Million recognised as exceptional expenses.
- (ii) During the previous year, the Company had availed rent concessions of Rs. 7.92 Million from lessors on account of COVID-19 and recorded the same as exceptional income in the statement of profit and loss consequent to amendment in Ind AS 116 "Leases".
- (iii) Based on the reassessment of carrying value of its investment and loan in NLSL, the Company had made an additional provision for impairment of investment for Rs. Nil (Previous year Rs. 682.53 Million) and also (reversed) the provision of impairment of loan amounting to Rs. Nil (Previous year Rs. 300 Million) as exceptional item in the statement of profit and loss for the year [Refer note 8(i)].

**25 Tax Expense**

(a) Income tax expense	Year ended	
	March 31, 2022	March 31, 2021
<b>Current tax</b>		
Current tax on profits for the year	60.67	59.26
Adjustments for current tax for earlier years	1.04	(52.05)
<b>Total current tax expense</b>	<u>61.71</u>	<u>7.21</u>
<b>Deferred tax</b>		
Deferred tax (credit) / charge	(111.01)	104.67
<b>Total deferred tax (credit) / charge</b>	<u>(111.01)</u>	<u>104.67</u>
<b>Income tax expense</b>	<u>(49.30)</u>	<u>111.88</u>

**(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:**

	Year ended	
	March 31, 2022	March 31, 2021
Profit before tax	1,412.79	679.02
<b>Tax at the Indian tax rate of 25.17% (Previous year 25.17%)</b>	<b>355.60</b>	<b>170.91</b>
<b>Adjustments for:</b>		
Taxes relating to earlier years	1.04	(52.05)
Taxes Relating to Non deductible expenses	2.41	3.35
Deferred tax assets recognised on timing differences	-	(85.07)
Tax Impact due to impairment of Loan and Investments in Subsidiaries	-	96.28
Tax Impact of Deduction of Dividend Received from Foreign Subsidiary	(184.84)	-
Tax Impact of difference in Tax rates on account of Section 80M deduction	(26.52)	-
Tax Impact of difference in Tax rates on other timing differences	2.89	-
Reversal of Deferred Tax Liability on Mark to Market Gains	(20.37)	-
Deferred Tax on Long Term Capital Loss (Cancellation of Investment in Subsidiary) [Refer note 9(i)]	(179.51)	-
Tax Impact of other adjustments	-	(21.54)
<b>Income tax expense</b>	<u>(49.30)</u>	<u>111.88</u>

**Notes to the Standalone Financial Statements for the year ended March 31, 2022** **Contd..**

(Amount in Rs. Millions, unless otherwise stated)

**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	March 31, 2021
Employers' Contribution to Superannuation Fund	13.51	10.16
Employers' Contribution to Employees Pension Scheme	31.27	27.30
Employers' Contribution to Employee National Pension System	2.72	1.63
<b>Total **</b>	<b>47.50</b>	<b>39.09</b>

\*\*Includes Rs. 0.19 Million (Previous year Rs. 0.50 Million) recognised in statement of profit and loss from discontinued operations.

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, 2022	March 31, 2021
Employers' Contribution to Provident Fund	3.12	1.10
Employers' Contribution to Superannuation Fund	2.28	0.45
Employers' Contribution to Employees Pension Scheme	0.03	0.04
<b>Total</b>	<b>5.43</b>	<b>1.59</b>

**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. 54.19 Million (Previous year Rs. 37.44 Million) including Rs. 3.12 Million (Previous year Rs. 1.10 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 contributed Rs. 0.09 Million (Previous year Rs. 0.23 Million) to the trust. The same has been recognised in the statement of profit and loss from discontinued operations.

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, 2022.

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.

	As at	
	March 31, 2022	March 31, 2021
<b>i) Change in Defined Benefit Obligation</b>		
Present Value of Defined Benefit Obligation as at the beginning of the year	1,449.64	1,237.95
Current service cost	54.45	39.71
Acquisition cost	53.52	21.39
Interest Cost	92.25	80.97
Benefit paid	(151.33)	(107.76)
Employee Contribution	95.99	77.17
Actuarial (gain)/ loss on Obligations	1.54	100.21
<b>Present Value of Defined Benefit Obligation as at the end of the year</b>	<b>1,596.06</b>	<b>1,449.64</b>

## Notes to the Standalone Financial Statements for the year ended March 31, 2022 Contd..

(Amount in Rs. Millions, unless otherwise stated)

	Year ended		
	March 31, 2022	March 31, 2021	
<b>(ii) Change in Fair value of Assets:-</b>			
Fair value of Plan Assets as at the beginning of the year	1,665.19	1,639.88	
Benefit paid	(151.33)	(107.76)	
Employee Contribution	95.99	77.17	
Acquisition Adjustment	53.52	21.39	
Interest Income on Plan Assets	92.25	80.97	
Return on plan assets greater/(lesser) than discount rate	6.66	(86.17)	
Employers' Contribution	54.45	39.71	
<b>Fair value of Plan Assets as at the end of the year</b>	<b>1,816.73</b>	<b>1,665.19</b>	
<b>(iii) Estimated Net Asset/ (Liability) recognised in the Balance Sheet :</b>			
	Year ended		
	March 31, 2022	March 31, 2021	
Present value of Defined Benefit Obligation	1,596.06	1,449.64	
Fair Value of Plan Assets	1,816.73	1,665.19	
Funded Status [Surplus/(Deficit)] with the trust	220.67	215.55	
<b>Net Asset/(Liability) recognised in the Balance Sheet</b>	<b>-</b>	<b>-</b>	
<b>(iv) Assumptions used in accounting for provident fund:-</b>			
	As at		
	March 31, 2022	March 31, 2021	
Discount Rate (per annum)	6.75%	6.25%	
EPFO Rate	8.10%	8.50%	
Expected return of exempt fund	7.50%	7.60%	
<b>(v) Investment details of Plan Assets:-</b>			
	As at		
	March 31, 2022	March 31, 2021	
Government Securities	60.81%	52.54%	
Debt Instruments	32.50%	40.01%	
Equities	1.06%	0.94%	
Short term Debt Instruments	5.63%	6.51%	
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	
<b>II. Gratuity Fund - Funded</b>			
	As at		
	March 31, 2022	March 31, 2021	
<b>i) Change in Present value of Obligation:-</b>			
Present value of obligation as at beginning of the year	270.72	199.42	
Interest cost	16.08	12.40	
Current service cost	32.48	24.38	
Benefits paid	(27.09)	(16.94)	
Acquisition cost / (credit)	0.22	(0.02)	
Actuarial loss on experience	9.37	30.88	
Actuarial loss on financial assumption	55.13	20.60	
<b>Present value of obligation as at the year end</b>	<b>356.91</b>	<b>270.72</b>	
<b>(ii) Change in Fair value of Plan Assets:-</b>			
	As at		
	March 31, 2022	March 31, 2021	
Fair value of Plan Assets as at the beginning of the year	66.73	75.60	
Expected return on Plan Assets	7.75	4.48	
Contributions	141.25	3.66	
Acquisition adjustment	0.22	(0.02)	
Benefits Paid	(27.09)	(16.94)	
Return on plan assets lesser than discount rate	(2.55)	(0.05)	
<b>Fair value of Plan Assets as at the end of the year</b>	<b>186.31</b>	<b>66.73</b>	
Estimated contributions for the year ended on March 31, 2023 is Rs. 170.60 Million (Previous year Rs. 203.99 Million).			
<b>(iii) Amount of Asset/ (Liability) recognised in the Balance Sheet:-</b>	<b>Fair value of Plan Assets as at the end of the year</b>	<b>Present value of obligation as at the end of the year</b>	<b>Liability recognised in Balance Sheet</b>
As at March 31, 2022	186.31	356.91	(170.60)
As at March 31, 2021	66.73	270.72	(203.99)



**Notes to the Standalone Financial Statements for the year ended March 31, 2022** **Contd..**

(Amount in Rs. Millions, unless otherwise stated)

(iv) <b>Gratuity Cost recognised in the Statement of Profit and Loss:-</b>	<b>Year ended</b>
	<b>March 31, 2022</b> <span style="float: right;"><b>March 31, 2021</b></span>
Current service cost	32.48 <span style="float: right;">24.38</span>
Net interest on net defined benefit liability / (asset)	8.33 <span style="float: right;">7.92</span>
<b>Expense recognised in the Statement of Profit and Loss*</b>	<b>40.81</b> <span style="float: right;"><b>32.30</b></span>

\*Includes Rs. (0.04) Million (Previous year Rs. 0.04 Million) recognised in statement of profit and loss from discontinued operations.

(v) <b>Gratuity Cost recognised through Other Comprehensive Income:-</b>	<b>Year ended</b>
	<b>March 31, 2022</b> <span style="float: right;"><b>March 31, 2021</b></span>
Actuarial loss on experience	9.37 <span style="float: right;">30.88</span>
Actuarial loss on financial assumption	55.13 <span style="float: right;">20.60</span>
Return on plan assets lesser than discount rate	2.55 <span style="float: right;">0.05</span>
<b>Expense recognised through other comprehensive income</b>	<b>67.05</b> <span style="float: right;"><b>51.53</b></span>

(vi) <b>Assumptions used in accounting for gratuity plan:-</b>	<b>As at</b>
	<b>March 31, 2022</b> <span style="float: right;"><b>March 31, 2021</b></span>
Discount Rate (Per Annum)	6.75% <span style="float: right;">6.25%</span>
Future Salary Increase	16% for next 2 years and 10% thereafter <span style="float: right;">12% for next 2 years and 8% thereafter</span>
Expected Rate of return on plan assets	7.15% <span style="float: right;">7.05%</span>

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:

	<b>Impact on defined benefit obligation</b>			
	<b>Change in assumption</b>	<b>Increase in assumption</b>		<b>Decrease in assumption</b>
	<b>March 31, 2022</b>	<b>March 31, 2022</b>	<b>March 31, 2022</b>	<b>March 31, 2022</b>
Discount rate	0.50%	(13.88)		14.87
Salary growth rate	0.50%	13.97		(13.18)
Withdrawal rate	5.00%	(25.54)		26.08

	<b>Impact on defined benefit obligation</b>			
	<b>Change in assumption</b>	<b>Increase in assumption</b>		<b>Decrease in assumption</b>
	<b>March 31, 2021</b>	<b>March 31, 2021</b>	<b>March 31, 2021</b>	<b>March 31, 2021</b>
Discount rate	0.50%	(9.95)		10.63
Salary growth rate	0.50%	10.00		(9.44)
Withdrawal rate	5.00%	(11.49)		11.55

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.

**Notes to the Standalone Financial Statements for the year ended March 31, 2022** **Contd..**  
(Amount in Rs. Millions, unless otherwise stated)

**27 Share Based Payments**

**(a) Employee option plan**

During the year 2005-06, the Company 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.

**i) Summary of options granted under plan:**

Particulars	March 31, 2022		March 31, 2021	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	89.14	5,637,204	80.45	4,942,121
Granted during the year	289.49	3,260,000	100.94	1,755,000
Exercised during the year	77.66	1,397,263	60.30	836,583
Forfeited/ Lapsed during the year	92.32	311,047	97.55	223,334
<b>Closing balance</b>	<b>182.09</b>	<b>7,188,894</b>	<b>89.14</b>	<b>5,637,204</b>
<b>Vested and Exercisable</b>		<b>2,778,894</b>		<b>3,180,496</b>

**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, 2022	March 31, 2021
Grant 9	Vest I	21-May-14	21-May-15	21-May-20	35.40	-	-
	Vest II	21-May-14	21-May-16	21-May-21	35.40	-	83,300
	Vest III	21-May-14	21-May-17	21-May-22	35.40	-	123,400
Grant 10	Vest I	28-Aug-14	28-Aug-15	28-Aug-20	49.75	-	-
	Vest II	28-Aug-14	28-Aug-16	28-Aug-21	49.75	-	-
	Vest III	28-Aug-14	28-Aug-17	28-Aug-22	49.75	2	20,002
Grant 12	Vest I	24-Jun-15	24-Jun-16	24-Jun-21	41.60	-	13,000
	Vest II	24-Jun-15	24-Jun-17	24-Jun-22	41.60	45,000	155,000
	Vest III	24-Jun-15	24-Jun-18	24-Jun-23	41.60	146,844	150,000
Grant 13	Vest I	17-Jul-15	17-Jul-16	17-Jul-21	52.15	-	26,664
	Vest II	17-Jul-15	17-Jul-17	17-Jul-22	52.15	33,336	75,334
	Vest III	17-Jul-15	17-Jul-18	17-Jul-23	52.15	66,684	135,022
Grant 16	Vest I	16-Jun-16	16-Jun-17	16-Jun-22	83.30	13,332	33,330
	Vest II	16-Jun-16	16-Jun-18	16-Jun-23	83.30	13,332	39,996
	Vest III	16-Jun-16	16-Jun-19	16-Jun-24	83.30	20,672	40,676
Grant 17	Vest I	05-Feb-17	05-Feb-17	05-Feb-23	73.60	6,666	6,666
	Vest II	05-Feb-17	05-Feb-19	05-Feb-24	73.60	6,666	6,666
	Vest III	05-Feb-17	05-Feb-20	05-Feb-25	73.60	13,336	24,336
Grant 18	Vest I	23-Jun-17	23-Jun-18	23-Jun-23	92.55	140,664	263,460
	Vest II	23-Jun-17	23-Jun-19	23-Jun-24	92.55	207,330	316,660
	Vest III	23-Jun-17	23-Jun-20	23-Jun-25	92.55	233,340	316,680
Grant 19	Vest I	27-Jul-17	27-Jul-18	27-Jul-23	88.85	93,333	93,333
	Vest II	27-Jul-17	27-Jul-19	27-Jul-24	88.85	93,333	93,333
	Vest III	27-Jul-17	27-Jul-20	27-Jul-25	88.85	93,334	93,334
Grant 20	Vest I	24-Oct-17	24-Oct-18	24-Oct-23	108.10	-	89,199
	Vest II	24-Oct-17	24-Oct-19	24-Oct-24	108.10	-	89,999
	Vest III	24-Oct-17	24-Oct-20	24-Oct-25	108.10	-	90,002
Grant 21	Vest I	25-Jun-18	25-Jun-19	25-Jun-24	96.15	120,000	145,000
	Vest II	25-Jun-18	25-Jun-20	25-Jun-25	96.15	140,000	165,000
	Vest III	25-Jun-18	25-Jun-21	25-Jun-26	96.15	140,000	165,000

## Notes to the Standalone Financial Statements for the year ended March 31, 2022 Contd..

(Amount in Rs. Millions, unless otherwise stated)

Grant	Vests	Grant date	Vesting date	Expiry date	Exercise price	Share options outstanding	
						March 31, 2022	March 31, 2021
Grant 22	Vest I	19-Jul-18	19-Jul-19	19-Jul-24	89.65	82,324	117,754
	Vest II	19-Jul-18	19-Jul-20	19-Jul-25	89.65	100,000	166,650
	Vest III	19-Jul-18	19-Jul-21	19-Jul-26	89.65	154,366	206,708
Grant 23	Vest I	23-Jan-19	23-Jan-20	23-Jan-25	93.65	-	16,700
	Vest II	23-Jan-19	23-Jan-21	23-Jan-26	93.65	20,000	50,000
	Vest III	23-Jan-19	23-Jan-22	23-Jan-27	93.65	50,000	50,000
Grant 24	Vest I	16-Jul-19	16-Jul-20	16-Jul-25	99.00	140,000	140,000
	Vest II	16-Jul-19	16-Jul-21	16-Jul-26	99.00	140,000	140,000
	Vest III	16-Jul-19	16-Jul-22	16-Jul-27	99.00	140,000	140,000
Grant 25	Vest I	10-Jul-20	10-Jul-21	10-Jul-26	94.40	385,000	505,000
	Vest II	10-Jul-20	10-Jul-22	10-Jul-27	94.40	425,000	505,000
	Vest III	10-Jul-20	10-Jul-23	10-Jul-28	94.40	425,000	505,000
Grant 26	Vest I	28-Sep-20	28-Sep-21	28-Sep-26	127.65	55,000	55,000
	Vest II	28-Sep-20	28-Sep-22	28-Sep-27	127.65	55,000	55,000
	Vest III	28-Sep-20	28-Sep-23	28-Sep-28	127.65	55,000	55,000
Grant 27	Vest I	07-Dec-20	07-Dec-21	07-Dec-26	174.20	25,000	25,000
	Vest II	07-Dec-20	07-Dec-22	07-Dec-27	174.20	25,000	25,000
	Vest III	07-Dec-20	07-Dec-23	07-Dec-28	174.20	25,000	25,000
Grant 28	Vest I	03-Jun-21	03-Jun-22	03-Jun-27	187.85	50,000	-
	Vest II	03-Jun-21	03-Jun-23	03-Jun-28	187.85	50,000	-
	Vest III	03-Jun-21	03-Jun-24	03-Jun-29	187.85	50,000	-
Grant 29	Vest I	18-Jun-21	18-Jun-22	18-Jun-27	264.25	356,666	-
	Vest II	18-Jun-21	18-Jun-23	18-Jun-28	264.25	356,666	-
	Vest III	18-Jun-21	18-Jun-24	18-Jun-29	264.25	356,668	-
Grant 30	Vest I	23-Aug-21	23-Aug-22	23-Aug-27	310.20	680,000	-
	Vest II	23-Aug-21	23-Aug-23	23-Aug-28	310.20	680,000	-
	Vest III	23-Aug-21	23-Aug-24	23-Aug-29	310.20	680,000	-

## 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 9	Vest I	35.40	39.04%	3.50	8.68%	3.96%	10.66
	Vest II	35.40	37.65%	4.50	8.73%	3.96%	11.45
	Vest III	35.40	48.22%	5.50	8.78%	3.96%	14.35
Grant 10	Vest I	49.75	40.75%	3.50	8.78%	3.96%	15.50
	Vest II	49.75	39.51%	4.50	8.73%	3.96%	16.61
	Vest III	49.75	46.99%	5.50	8.70%	3.96%	19.78
Grant 12	Vest I	41.60	42.73%	3.50	7.95%	3.50%	13.45
	Vest II	41.60	41.13%	4.50	7.93%	3.50%	14.38
	Vest III	41.60	39.89%	5.50	7.92%	3.50%	15.07
Grant 13	Vest I	52.15	43.53%	3.50	7.79%	3.50%	17.01
	Vest II	52.15	41.89%	4.50	7.86%	3.50%	18.21
	Vest III	52.15	40.55%	5.50	7.90%	3.50%	19.08
Grant 16	Vest I	83.30	48.89%	3.50	7.52%	3.01%	30.30
	Vest II	83.30	45.98%	4.50	7.52%	3.01%	31.88
	Vest III	83.30	44.05%	5.50	7.52%	3.01%	33.17
Grant 17	Vest I	73.60	48.75%	3.50	6.41%	3.01%	25.87
	Vest II	73.60	45.93%	4.50	6.41%	3.01%	27.13
	Vest III	73.60	44.36%	5.50	6.41%	3.01%	28.29
Grant 18	Vest I	92.55	47.76%	3.50	6.45%	2.35%	33.47
	Vest II	92.55	46.09%	4.50	6.45%	2.35%	36.08
	Vest III	92.55	43.93%	5.50	6.45%	2.35%	37.61

**Notes to the Standalone Financial Statements for the year ended March 31, 2022** **Contd..**  
 (Amount in Rs. Millions, unless otherwise stated)

Grant	Vests	Market price	Volatility	Average life of the option	Risk less interest rate	Dividend yield rate	Fair value
Grant 19	Vest I	88.85	47.64%	3.50	6.45%	2.35%	32.06
	Vest II	88.85	45.78%	4.50	6.45%	2.35%	34.46
	Vest III	88.85	43.85%	5.50	6.45%	2.35%	35.05
Grant 20	Vest I	108.10	47.45%	3.50	6.80%	2.35%	39.30
	Vest II	108.10	46.90%	4.50	6.80%	2.35%	43.14
	Vest III	108.10	44.66%	5.50	6.80%	2.35%	44.96
Grant 21	Vest I	96.15	44.86%	3.50	7.80%	1.43%	36.79
	Vest II	96.15	47.55%	4.50	7.80%	1.43%	42.81
	Vest III	96.15	46.15%	5.50	7.80%	1.43%	45.76
Grant 22	Vest I	89.65	45.06%	3.50	7.77%	1.43%	34.37
	Vest II	89.65	47.63%	4.50	7.77%	1.43%	39.92
	Vest III	89.65	46.30%	5.50	7.77%	1.43%	42.71
Grant 23	Vest I	93.65	43.80%	3.50	7.53%	1.43%	34.98
	Vest II	93.65	45.29%	4.50	7.53%	1.43%	40.12
	Vest III	93.65	46.75%	5.50	7.53%	1.43%	44.53
Grant 24	Vest I	99.00	42.39%	3.50	6.53%	1.10%	35.79
	Vest II	99.00	44.87%	4.50	6.53%	1.10%	41.88
	Vest III	99.00	47.04%	5.50	6.53%	1.10%	47.12
Grant 25	Vest I	94.40	43.86%	3.50	5.82%	2.67%	30.65
	Vest II	94.40	42.96%	4.50	5.82%	2.67%	33.31
	Vest III	94.40	44.66%	5.50	5.82%	2.67%	36.83
Grant 26	Vest I	127.65	45.58%	3.50	6.00%	3.07%	41.84
	Vest II	127.65	43.43%	4.50	6.00%	3.07%	44.24
	Vest III	127.65	45.53%	5.50	6.00%	3.07%	49.02
Grant 27	Vest I	174.20	46.55%	3.50	5.92%	3.07%	57.92
	Vest II	174.20	44.09%	4.50	5.92%	3.07%	60.91
	Vest III	174.20	45.80%	5.50	5.92%	3.07%	66.99
Grant 28	Vest I	187.85	46.77%	3.50	6.01%	3.15%	62.53
	Vest II	187.85	45.32%	4.50	6.01%	3.15%	66.86
	Vest III	187.85	44.62%	5.50	6.01%	3.15%	70.55
Grant 29	Vest I	264.25	48.34%	3.50	6.01%	3.15%	90.34
	Vest II	264.25	46.57%	4.50	6.01%	3.15%	96.06
	Vest III	264.25	45.60%	5.50	6.01%	3.15%	100.87
Grant 30	Vest I	310.20	48.68%	3.50	6.23%	3.52%	104.83
	Vest II	310.20	47.25%	4.50	6.23%	3.52%	111.63
	Vest III	310.20	45.32%	5.50	6.23%	3.52%	114.89

**b) Expense arising from share-based payment transactions**

Particulars	March 31, 2022	March 31, 2021
Expenses charged to statement of Profit and Loss based on fair value of options*	89.66	22.66

\*Excluding Share based payments expenses charged in discontinued operations in statement of profit and loss Rs. 0.02 Million (Previous year Rs. 0.13 Million).

**28 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**

Particulars	March 31, 2022				March 31, 2021			
	FVTPL	FVTPL	FVOCI	Amortised cost	FVTPL	FVTPL	FVOCI	Amortised cost
	Level 1	Level 2	Level 2		Level 1	Level 2	Level 2	
<b>Financial assets</b>								
Investments	5,688.16	-	-	1,447.00	6,313.65	-	-	2,220.78
Trade receivables	-	-	-	889.90	-	-	-	728.62
Cash and cash equivalents	-	-	-	57.99	-	-	-	57.64
Bank balances other than above	-	-	-	940.66	-	-	-	2,941.86
Other financial assets	-	-	-	1,552.80	-	-	-	1,137.77
Derivative assets	-	7.91	8.29	-	-	12.82	13.52	-
<b>Total financial assets</b>	<b>5,688.16</b>	<b>7.91</b>	<b>8.29</b>	<b>4,888.35</b>	<b>6,313.65</b>	<b>12.82</b>	<b>13.52</b>	<b>7,086.67</b>
<b>Financial liabilities</b>								
Borrowings	-	-	-	10.17	-	-	-	70.72
Lease liabilities	-	-	-	77.38	-	-	-	101.54
Trade payables	-	-	-	601.45	-	-	-	523.33
Other financial liabilities	-	-	-	399.32	-	-	-	341.16
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,088.32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,036.75</b>

As of March 31, 2022 and March 31, 2021, 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.

**29 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 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:

**Notes to the Standalone Financial Statements for the year ended March 31, 2022** Contd..

(Amount in Rs. Millions, unless otherwise stated)

**(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. 889.90 Million as of March 31, 2022 (Previous year Rs. 728.62 Million) and unbilled revenue amounting to Rs. 158.48 Million as of March 31, 2022 (Previous year Rs. 140.94 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, 2022:

**Reconciliation of loss allowance provision**

Particulars	Trade Receivables	Unbilled Revenue
<b>Loss allowance as on April 1, 2020</b>	<b>836.62</b>	<b>28.16</b>
Less: Bad Debts written off	(510.05)	-
Add: Provision for Expected credit loss*	3.22	19.87
<b>Loss allowance as on March 31, 2021</b>	<b>329.79</b>	<b>48.03</b>
Less: Reversal of Provision for Expected credit loss*	(3.80)	-
Less: Bad Debts written off	(13.07)	-
Add: Provision for Expected credit loss*	-	43.28
<b>Loss allowance as on March 31, 2022</b>	<b>312.92</b>	<b>91.31</b>

\*Provision (net of reversal) for expected credit loss in unbilled revenue and trade receivables includes Rs. 42.78 Million (Previous year Rs. 15.20 Million) recognised in statement of profit and loss in discontinued operations.

**(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 outstanding borrowings as term loans and working capital limits from banks. The term loans are secured by a first charge on the book debts and movable & immovable 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:

**Contractual maturities of financial liabilities:**

	Less than 1 year	Between 1 and 2 years	Beyond 2 years	Total
<b>March 31, 2022</b>				
Borrowings	4.86	5.31	-	10.17
Trade payables	601.45	-	-	601.45
Lease liabilities	18.73	14.43	44.22	77.38
Other financial liabilities	398.80	-	0.52	399.32
	<b>1,023.84</b>	<b>19.74</b>	<b>44.74</b>	<b>1,088.32</b>
<b>March 31, 2021</b>				
Borrowings	70.72	-	-	70.72
Trade payables	523.33	-	-	523.33
Lease liabilities	26.33	20.71	54.50	101.54
Other financial liabilities	340.64	-	0.52	341.16
	<b>961.02</b>	<b>20.71</b>	<b>55.02</b>	<b>1,036.75</b>

**(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**

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 Company's interest rate risk arises primarily from the foreign currency term loan carrying at floating rate of interest. These obligations exposes the Company to cash flow interest rate risk. The Company 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.

## Notes to the Standalone Financial Statements for the year ended March 31, 2022 Contd..

(Amount in Rs. Millions, unless otherwise stated)

## (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, 2022	March 31, 2021
<b>Financial assets</b>		
Trade receivables		
USD	511.69	451.41
GBP	63.93	54.57
EUR	96.08	93.43
CAD	66.77	0.00
CNY	16.69	0.00
Others	9.05	97.20
<b>Net exposure to foreign currency risk (assets)</b>	<b>764.21</b>	<b>696.61</b>
<b>Financial liabilities</b>		
Trade payables		
USD	101.50	99.90
GBP	30.44	80.08
NOK	33.74	23.32
EUR	17.04	27.51
Others	2.83	4.32
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>185.55</b>	<b>235.13</b>

**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, 2022		Impact on Profit and Loss for the year ended March 31, 2021	
	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	4.10	(4.10)	3.52	(3.52)
GBP	0.33	(0.33)	(0.26)	0.26
NOK	(0.34)	0.34	(0.23)	0.23
EUR	0.79	(0.79)	0.66	(0.66)
CAD	0.67	(0.67)	-	-
CNY	0.17	(0.17)	-	-
Others	0.06	(0.06)	0.93	(0.93)
<b>Total</b>	<b>5.78</b>	<b>(5.78)</b>	<b>4.62</b>	<b>(4.62)</b>

\* 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

**Notes to the Standalone Financial Statements for the year ended March 31, 2022**

(Amount in Rs. Millions, unless otherwise stated) **Contd..**

**(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					
<b>March 31, 2022</b>									
<b>Foreign Exchange Risk</b>									
(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
(ii) Foreign currency borrowing	-	-	-	-	-	1:1	-	(4.05)	4.05
<b>Interest rate risk</b>									
(i) Interest rate swap	-	-	-	-	April 2021 to April 2021	1:1	9.25%	3.77	(3.77)
<b>March 31, 2021</b>									
<b>Foreign Exchange Risk</b>									
(i) Foreign exchange forward contracts	1,179.48	-	22.57	-	April 2021 to March 2022	1:1	Euro:- 91.75 USD:- 76.49 GBP:- 102.75 CAD:- 58.94	31.70	(31.70)
(ii) Foreign currency borrowing	-	66.67	-	70.72	April 2021 to April 2021	1:1	USD:-68.98	(14.47)	14.47
<b>Interest rate risk</b>									
(i) Interest rate swap	-	Interest on Rs. 66.67 million principal amount	3.77	-	April 2020 to April 2021	1:1	9.25%	10.34	(10.34)

\*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. The notional amount of interest rate swap is equal to the portion of variable rate loans that is being hedged, and therefore the hedge ratio for interest rate swap is also 1:1.



**Notes to the Standalone Financial Statements for the year ended March 31, 2022** **Contd..**

(Amount in Rs. Millions, unless otherwise stated)

**30 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.

Loans availed by the Company are subject to certain financial covenants and the Company 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, 2022.

Particulars	March 31, 2022	March 31, 2021
Borrowings [Refer note 14(i)]	10.17	70.72
Lease liabilities [Refer note 7(ii)]	77.38	101.54
<b>Total Debt (A)</b>	<b>87.55</b>	<b>172.26</b>
Equity share capital [Refer note 12(b)]	267.74	284.70
Other equity (Refer note 13)	13,353.17	15,366.90
<b>Total Equity (B)</b>	<b>13,620.91</b>	<b>15,651.60</b>
<b>Profit after tax (C)</b>	<b>1,423.17</b>	<b>536.11</b>
Opening Shareholders equity	15,651.60	15,327.25
Closing Shareholders equity	13,620.91	15,651.60
<b>Average Shareholder's Equity (D)</b>	<b>14,636.26</b>	<b>15,489.43</b>
<b>Debt equity ratio (A/B)</b>	0.01	0.01
<b>Return on equity Ratio (%) (C/D)</b>	9.7%	3.5%

**31 Contingent Liabilities**
**a) Claims against the Company not acknowledged as debts:-**

	As at	
	March 31, 2022	March 31, 2021
Customers	6.49	6.49
Indemnification related to sale of investments in Coforge Limited (Formerly Known as NIIT Technologies Limited)	2,393.22	2,307.00
Works Contract Tax	31.32	31.32
Customs Duty	4.80	4.80
Income Tax	44.50	44.50
Others*	17.98	17.98
	<b>2,498.31</b>	<b>2,412.09</b>

\*It pertains to alleged dues towards provident fund payable by vendors of the Company which the Company is also contesting. The Company does not expect any reimbursements in respect of the above.

- b) The Company had received Show Cause Notices under section 263 of the Income Tax Act, 1961, issued by the Commissioner of Income Tax (CIT) for the Assessment years 1999-00 to 2005-06, who later issued Orders directing the Assessing Officer for re-assessment on certain items. The orders passed by the CIT u/s 263 for AY 1999-00 to AY 2005-06 have been challenged by the Company in the Income Tax Appellate Tribunal ('the Tribunal'). The Tribunal has since passed order for AY 1999-00 wherein the Tribunal has decided the issue of assumption of jurisdiction against the Company and on merits, the Tribunal has allowed some of the issues and dismissed others which were referred back to the assessing officer for fresh examination. The Company has filed an appeal before the Hon'ble High Court of Delhi against the aforesaid order of the Tribunal which is pending for disposal. At this stage there is no ascertained/quantified demands. Based on legal opinion, the Company has fair chances of obtaining adequate relief before the Appellate Authorities.

It is not practical for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. Management does not foresee any financial implication based on advice of legal counsel.

Serious Fraud Investigation Office ('SFIO') has filed a case against one of the past vendors, from whom the Company has obtained certain services during FY 2002-05, which are also the subject matter of the above-mentioned matter u/s 263. Recently, the Company has received a copy of partial complaint from the Court of ACMM, Delhi, who has made the Company also a party to the above case. While the Company has requested for a complete copy of complaint, which is yet to be received, based on the legal advice the matter is not maintainable and accordingly the Company has filed a revision petition challenging the summoning order of the Court, which is pending to be heard.

**Notes to the Standalone Financial Statements for the year ended March 31, 2022** **Contd..**  
(Amount in Rs. Millions, unless otherwise stated)

**c) Guarantees**

- i. Bank Guarantees issued by Bankers outstanding at the end of the year Rs. 8.99 Million (Previous year Rs. 9.47 Million).
- ii. Corporate Guarantee issued to ICICI Bank Canada to secure loan of Rs. 304.02 Million [CAD 5.00 Million] (Previous year Rs. 291.00 Million [CAD 5.00 Million]), [Amount Outstanding at the end of the year Rs. 48.64 Million [CAD 0.80 Million], (Previous year Rs. 139.68 Million [CAD 2.40 Million]) availed by NIIT Learning Solutions (Canada) Limited.
- iii. Corporate Guarantee issued to ICICI Bank UK for availing working capital limits on behalf of NIIT Limited, UK Rs. 419.28 Million (GBP 4.20 Million) (Previous year Rs. 424.02 Million (GBP 4.20 Million), [Amount Outstanding at the end of the year Rs. Nil (Previous year Rs. Nil)].

**32 Capital and Other Commitments**

- (a) Estimated amount of contracts remaining to be executed on capital account (net of advances) not provided for Rs. 22.68 Million (Previous year Rs.7.68 Million).
- (b) For commitments related to lease arrangements, Refer note 7.
- (c) The Company has issued letter of supports to provide need based financial support to its subsidiary company, namely, NIIT Learning Systems Limited [Formerly known as Mindchampion Learning Systems Limited].

**33 Dividend**

**Declared and paid during the year and previous year**

**Cash dividends on equity shares declared and paid:**

Final dividend for the F.Y. 2020-21: Rs. 2.50 per share  
(F.Y. 2019-20: Rs. 2.00 per share)

Interim dividend for the F.Y. 2021-22 Rs. 3.00 per share (F.Y. 2020-21: Nil)

	Year ended	
	March 31, 2022	March 31, 2021
	333.17	283.33
	401.22	-
	<b>734.39</b>	<b>283.33</b>

**34 Earnings Per Share**

**From Continuing operations**

Profit attributable to Equity Shareholders (Rs. Million) (A)

**From Discontinued operations**

Loss attributable to Equity Shareholders (Rs. Million) (B)

**From Continuing and Discontinued operations**

Profit attributable to Equity Shareholders (Rs. Million) (C)

Weighted average number of Equity Shares outstanding during the year (Nos.) – (D)

Add : Effect of Potential Dilutive Shares (being Stock options) (Nos.)

Weighted average shares outstanding considered for determining Diluted Earnings per Share (Nos.) - (E)

Nominal Value of Equity Shares (Rs.)

**From Continuing operations**

Basic Earnings per Share (Rs.) (A/D)

Diluted Earnings per Share (Rs.) (A/E)

**From Discontinued operations**

Basic loss per Share (Rs.) (B/D)

Diluted loss per Share (Rs.) (B/E)

**From Continuing and Discontinued operations**

Basic Earnings per Share (Rs.) (C/D)

Diluted Earnings per Share (Rs.) (C/E)

	Year ended	
	March 31, 2022	March 31, 2021
	1,462.09	567.14
	(38.92)	(31.03)
	1,423.17	536.11
	134,430,448	141,777,217
	3,209,571	1,834,146
	137,640,019	143,611,363
	2	2
	10.88	4.00
	10.63	3.95
	(0.29)	(0.22)
	(0.29)	(0.22)
	10.59	3.78
	10.34	3.73

**35 Related Party Transactions :****A. Related party relationship where control exists:****Subsidiaries**

- 1 NIIT Institute of Finance Banking and Insurance Training Limited
- 2 NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited, name changed w.e.f January 18, 2022)
- 3 NIIT Yuva Jyoti Limited (Liquidated on February 25, 2022)
- 4 NIIT Institute of Process Excellence Limited (Under Voluntary Liquidation w.e.f. February 19, 2020)
- 5 NIIT USA Inc, USA
- 6 Stackroute Learning Inc, USA (subsidiary of entity at serial no. 5 - incorporated on December 29, 2020)
- 7 NIIT Limited, UK
- 8 NIIT Malaysia Sdn. Bhd, Malaysia
- 9 NIIT West Africa Limited
- 10 NIIT GC Limited, Mauritius
- 11 NIIT (Ireland) Limited
- 12 NIIT Learning Solutions (Canada) Limited (subsidiary of entity at serial no. 11)
- 13 Eagle international Institute Inc. USA (subsidiary of entity at serial no. 5 till June 30, 2021, merged with NIIT (USA) Inc, USA w.e.f. July 01, 2021)
- 14 Eagle Training Spain, S.L.U (subsidiary of entity at serial no. 13 till June 30, 2021, Subsidiary of Entity at Serial no. 5 w.e.f. July 01, 2021)
- 15 PT NIIT Indonesia, Indonesia (under liquidation)
- 16 NIIT China (Shanghai) Limited, Shanghai (subsidiary of entity at serial no. 10)
- 17 NIIT Wuxi Service Outsourcing Training School, China (Deregistered on June 24, 2020) (subsidiary of entity at serial no. 16)
- 18 Wuxi NIIT Information Technology Consulting Limited, China (entity closed on October 30, 2020) (subsidiary of entity at serial no. 16)
- 19 Su Zhou NIIT Information Technology Consulting Limited, China (subsidiary of entity at serial no. 18, ceases to exist as step-down subsidiary of the Company w.e.f. October 30, 2020)
- 20 Changzhou NIIT Information Technology Consulting Limited (subsidiary of entity at serial no. 18, ceases to exist as step-down subsidiary of the Company subsidiary w.e.f. October 30, 2020)
- 21 Chengmai NIIT Information Technology Company Limited, China (Under process of closing) (subsidiary of entity at serial no. 16)
- 22 Chongqing An Dao Education Consulting Limited, China (subsidiary of entity at serial no. 16)
- 23 Chongqing NIIT Education Consulting Limited, China (Closed on January 20, 2021) (subsidiary of entity at serial no. 16)
- 24 NingXia NIIT Education Technology Company Limited, China (subsidiary of entity at serial no. 16)
- 25 Guizhou NIIT information technology consulting Co., Limited, China (subsidiary of entity at serial no. 16)
- 26 NIIT (Guizhou) Education Technology Co., Limited, China (subsidiary of entity at serial no. 16)
- 27 RPS Consulting Private Limited (w.e.f. October 01, 2021)

**B. Other related parties with whom the Company has transacted:****a) Key Management Personnel**

- 1 Mr. Rajendra S Pawar (Chairman)
- 2 Mr. Vijay K Thadani (Vice-Chairman & Managing Director)
- 3 Mr. P Rajendran (Joint Managing Director)
- 4 Mr. Sapnesh Kumar Lalla (Executive Director & Chief Executive Officer w.e.f. August 05, 2021)
- 5 Mr. Anand Sudarshan (Independent Director)
- 6 Mr. Ashish Kashyap (Independent Director- resigned w.e.f. August 30, 2021)
- 7 Ms. Geeta Mathur (Independent Director)
- 8 Mr. Ravinder Singh (Independent Director)
- 9 Ms. Sangita Singh (Independent Director w.e.f. June 05, 2021)
- 10 Ms. Avani Vishal Davda (Independent Director w.e.f. June 05, 2021)
- 11 Mr. Udai Singh Pawar (Non executive Director w.e.f. August 05, 2021)
- 12 Ms. Leher Vijay Thadani (Non executive Director w.e.f. August 05, 2021)

**Notes to the Standalone Financial Statements for the year ended March 31, 2022** Contd..  
(Amount in Rs. Millions, unless otherwise stated)

- 13 Mr. Ravindra Babu Garikipati (Independent Director w.e.f. November 11, 2021)  
 14 Mr. Amit Roy (Chief Financial Officer -Till June 04, 2020)  
 15 Mr. Sanjay Mal (Chief Financial Officer-w.e.f. June 05, 2020)  
 16 Mr. Deepak Bansal (Company secretary)

**b) Relatives of Key Management Personnel**

- 1 Ms. Renuka Thadani (Wife of Vijay K Thadani)

**c) Parties in which the Key Management Personnel of the Company are deemed to be interested**

- 1 NIIT Institute of Information Technology  
 2 NIIT University  
 3 Naya Bazaar Novelties Private Limited  
 4 NIIT Foundation  
 5 NIIT Network Services Limited

**C. Key management personnel compensation**

	Year ended	
	March 31, 2022	March 31, 2021
Short-term employee benefits*	130.76	30.16
Post-employment benefits	5.55	1.43
Commission, Sitting fees, Remuneration and Other reimbursements paid to Non Executive & Independent Directors	28.91	15.32
<b>Total compensation</b>	<b>165.22</b>	<b>46.91</b>

\*Excludes value of employee stock options.

**D. 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.

ordinary course of business and at arm's length price.  
 All outstanding balances are unsecured and are repayable in cash.

**E. Details of significant transactions and balances with related parties :**

Nature of Transactions	Subsidiaries	Key Management Personnel	Relatives of Key Management Personnel	Parties in which Key Management Personnel of the Company are deemed to be interested	Total
Purchase of Goods	- (0.14)	-	-	0.14 (0.27)	0.14 (0.41)
Purchase of Property, Plant and equipment	0.40 (0.72)	-	-	-	0.40 (0.72)
Sale of Services	2,210.46 (2,124.80)	-	-	-	2,210.46 (2,124.80)
Purchase of Services-Professional Technical & Outsourcing expenses and others	374.04 (510.42)	-	0.98 (0.98)	-	375.02 (511.40)
Recovery from subsidiaries for Corporate and Management Support Services	298.43 (243.63)	-	-	-	298.43 (243.63)
Recovery of share based payments from	68.47 (17.90)	-	-	-	68.47 (17.90)
Recovery of other expenses from	7.12 (13.59)	-	-	2.07 (1.94)	9.19 (15.53)
Recovery of other expenses from (under the head other income)	8.63 (5.46)	-	-	0.29 (0.75)	8.92 (6.21)

**Notes to the Standalone Financial Statements for the year ended March 31, 2022** Contd..  
 (Amount in Rs. Millions, unless otherwise stated)

Nature of Transactions	Subsidiaries	Key Management Personnel	Relatives of Key Management Personnel	Parties in which Key Management Personnel of the Company are deemed to be interested	Total
Recovery of Professional Technical & Outsourcing expenses by	36.13 (14.92)	-	-	-	36.13 (14.92)
Recovery of Employee Benefits expenses by	- (1.08)	-	-	-	- (1.08)
Recovery of other expenses by	0.64 (1.40)	0.19 (0.12)	-	1.83 (7.00)	2.66 (8.52)
Royalty paid	24.19 (10.09)	-	-	-	24.19 (10.09)
Interest Income	- (17.72)	-	-	-	- (17.72)
Dividend Income	743.64 -	-	-	-	743.64 -
Corporate Guarantee Charges (included in Other Non-Operating Income)	3.60 (1.84)	-	-	-	3.60 (1.84)
Expenditure towards Corporate Social Responsibility (CSR) activities	-	-	-	5.70 (3.10)	5.70 (3.10)
Donation paid	-	-	-	-	-
	-	-	-	(10.00)	(10.00)
Investment made	- (811.94)	-	-	-	- (811.94)
Provision for impairment of Investments	- (682.53)	-	-	-	- (682.53)
Reversal of provision for impairment of Loan to Subsidiary	- (300.00)	-	-	-	- (300.00)
Loans Given	- (50.00)	-	-	-	- (50.00)
Loans Given Received Back	- (350.00)	-	-	-	- (350.00)

Previous year figures of March 31, 2021 are given in parenthesis.  
 Refer notes 31 and 32 for Guarantees, collaterals and commitments.

**F. Outstanding Balances :**

Particulars	Subsidiaries	Key Management Personnel	Parties in which Key Management Personnel of the Company are deemed to be interested	Total
<b>Receivables</b>				
March 31, 2022	631.83	0.26	0.71	632.80
March 31, 2021	(586.83)	(0.48)	(0.88)	(588.19)
<b>Payables</b>				
March 31, 2022	194.88	11.37	0.33	206.58
March 31, 2021	(241.18)	(8.45)	(0.31)	(249.94)

Refer notes 31 and 32 for Guarantees, collaterals and commitments as at the year end.

## Notes to the Standalone Financial Statements for the year ended March 31, 2022 Contd..

(Amount in Rs. Millions, unless otherwise stated)

**36 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.

As per Ind AS 108 - Operating Segments, where the financial report contains both the consolidated financial statements of a parent as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements, Accordingly, no segment information is disclosed in these standalone financial statements of the Company.

**37 Discontinued operations**

During the year 2019-20, in line with its stated long term strategy of reducing exposure to low margin, capital intensive government business, the Company had decided not to pursue new skills contracts and decided to discontinue operations post completion of continuing commitments. These contracts were transferred from its wholly owned subsidiary NIIT Yuva Jyoti Limited (Liquidated on February 25, 2022) through an agreement.

In pursuance of applicable accounting standard (IND AS - 105), the net results (i.e. revenue minus expenses) of such operations are disclosed separately as loss from 'Discontinued Operations'.

**Net results of Discontinued Operations :**

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Revenue	0.39	1.08
Other Income	1.11	0.77
Expenses	(51.60)	(32.88)
<b>Loss before tax from discontinued operations</b>	<b>(50.10)</b>	<b>(31.03)</b>
Tax Expenses*	(11.18)	-
<b>Loss after tax from discontinued operations</b>	<b>(38.92)</b>	<b>(31.03)</b>

\*Includes deferred tax credit amounting to Rs. 10.89 Million.

**Cash flow from Discontinued Operations**

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Net Cash flow used in operating activities	(5.49)	(17.87)
Net Cash flow generated from investing activities	0.42	2.84
Net Cash flow used in financing activities	-	(0.34)

**38 Additional Regulatory Information**

- There are no immovable properties included in Property Plant and Equipment, whose title deeds are not held in the name of the Company.
- 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.
- 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.
- 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.
- Relationship with Struck off Companies:

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as on March 31, 2022	Balance outstanding as on March 31, 2021	Relationship with the struck off company, if any, to be disclosed
P2RL Institute Of Computer Studies Private Limited	Trade Receivable	-	1.17	None
Shriiram Infocons Private Limited	Trade Receivable	-	1.20	None
Shreya Automobile Services Private Limited	Trade Receivable	-	1.05	None
Ajay IT Solutions Private Limited	Trade Receivable	-	1.58	None

**Notes to the Standalone Financial Statements for the year ended March 31, 2022** Contd..  
(Amount in Rs. Millions, unless otherwise stated)

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as on March 31, 2022	Balance outstanding as on March 31, 2021	Relationship with the struck off company, if any, to be disclosed
Dolce Data Systems Private Limited, Coral Infotech Private Limited, Prasad Software Private Limited, Ask Infotech Private Limited, Couto Data Systems Private Limited, Sri Sai Prabhu Computer Education Private Limited, Study Web Computers Private Limited, Anudeep Infotech Private Limited, Ramana Systems Private Limited, Rifson Infotech Private Limited, Surbhi Computers Private Limited, Edutech Centre Private Limited, Venkata Bayamma Infotech Private Limited, Unique Computech Private Limited, U D Info Education Centre Private Limited, O.S. Business Solutions Private Limited, Singrauli Infotech Private Limited, Crux Career Labs Private Limited, Saraswati Vidya Private Limited, Sudharsanam IT Academy Private Limited, Bss Software Services Private Limited, JMG Computer Education Private Limited, Intuitive IT Labs Private Limited, Noble Career Solutions Private Limited, Jayamatha Technological Centre Private Limited, Divinity Infotech Private Limited, Culverin Infotech Solutions Private limited, Suhas Computers Private Limited, Vaishnavi Techno Solutions Private limited, Suvipr Infotech Private Limited, Bytestream Infotech Private Limited, Anchor Education Private Limited, Jeen Career Solution Private Limited, Shambhvi Education Private Limited, Glenmoor Technologies Private Limited, Vishalakshi Education Systems Private Limited, Kokom Info Private Limited, Pinnacle New Era Education Private Limited, Wakode Technologies Private Limited, White Orchid IT Solutions Private Limited, Bran Eduvison Private Limited, Saq Institute Private Limited, PRS Techno Solutions Private Limited, Cognistyx Business Solutions Private limited, PH Informatics Private Limited, ABR Infotech Private Limited, E2E Educomp Private Limited, 2S Systems Learning Private Limited, Ayurda Arijit Multiservices Private Limited, Tirumala Tanaya Soft Solutions Private Limited, U D Info education Centre Private Limited, Snowflakes Educations Private Limited, Netspyder Networks Private Limited, Academic Campus Connections Private Limited, B Basaveshwara IT Solutions Private Limited	Trade Receivable	-	10.35*	None
S One Technologies Private Limited	Trade Payable	(1.59)	(1.59)	None
Dhan Sree Computers Private Limited	Trade Payable	(1.60)	(1.60)	None
Soffline Informatics Private Limited, Sathya Sudha Computers Private Limited, Insoft Technologies Private Limited, Joshison's Computers Private Limited, Sri Veerabhadra Infotech Private Limited, Vegi's Computers Private Limited, Rhino Infotech Private Limited, Assam Computer Services Private Limited, Cognistyx Business Solutions Private, Hariharan Technologies Private Limited, Tatwamasi Infotech Bijapur Private Limited	Trade Payable	(2.81)*	(2.89)*	None

\*Individual Companies with balance less than Rs. 1 Million.

- 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.

**Notes to the Standalone Financial Statements for the year ended March 31, 2022**

**Contd..**  
(Amount in Rs. Millions, unless otherwise stated)

viii) **Ratio Analysis and its elements**

<b>Ratios</b>	<b>Numerator</b>	<b>Denominator</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>	<b>%Change</b>	<b>Reasons for variance</b>
Current Ratio	Current Assets	Current Liabilities	6.7	9.3	(28%)	Decrease in ratio due to utilisation of cash and bank balances on account of Buyback of shares and Investment in RPS Consulting Private Limited by the Company.
Debt- Equity Ratio	Total Debt = Borrowings + Lease liabilities	Shareholder's Equity	0.01	0.01	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	16.3	4.6	254%	Repayment of entire term loan from Banks and improvement in profitability has resulted in better debt service coverage ratio.
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	9.7%	3.5%	177%	Improvement in profitability and reduction in average shareholder's equity due to buyback has resulted in improvement in the ratio.
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	28.5	5.9	383%	Company continued to accelerate transition from face to face learning to Digital in its Skills & Careers business leading to lower inventory which has resulted in improvement in the ratio.
Trade Receivable Turnover Ratio	Total sales	Trade receivables	5.0	5.1	(2%)	
Trade Payable Turnover Ratio	Total purchases	Trade creditors	3.2	3.0	7%	
Net Capital Turnover Ratio	Net Sales	Average Working Capital (i.e. Total current assets less Total current liabilities)	42.0%	31.1%	35%	Revenue growth has resulted in improvement in the Ratio.
Net Profit Ratio	Net Profit	Net Sales	32.0%	14.6%	119%	Improvement in profitability (including dividend from subsidiary) has resulted in improvement in the ratio.
Return on Capital Employed	Earnings before interest & taxes	Capital employed = Tangible Net worth + Lease liabilities + Borrowings	9.4%	3.8%	147%	Improvement in profitability has resulted in improvement in the ratio.
Return on Investment						
Mutual funds	Income generated from invested funds	Weighted average investments	4.66%	7.90%	(41.0%)	Return on Debt Mutual funds was higher in previous year on account of RBI's rate cut during COVID period, which resulted in Mark-to-Market (MTM) gain in the Debt MFs.
Fixed deposits	Income generated from invested funds	Weighted average investments	4.93%	5.84%	(15.6%)	Return on Fixed deposits decreased due to lowering of interest rates by banks and other financial institutions during the current year.



**Notes to the Standalone Financial Statements for the year ended March 31, 2022**
**Contd..**
**(Amount in Rs. Millions, unless otherwise stated)**

- 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.

Pending regulatory approvals and other compliances, the financial statements of the Company does not have impact of the Scheme. Expenses related to the Scheme have been recognised as an exceptional item in the statement of Profit and loss.

These financial statements include revenue from operations of CLG Business Undertaking of Rs. 3,193.91 Million for the year ended March 31, 2022.

- 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:
- 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 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:
- 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
- xii) The Company has been sanctioned working capital limits in excess of Rs. 50 Million in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns / statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
- 39 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.
- 40 Previous year/ period figures have been regrouped / reclassified to conform the current period classification.

Signatures to Notes ' 1 ' to ' 40 ' above of these Financial Statements.

**For S.R.Batlboi & Associates LLP**

Chartered Accountants

Firm Registration No.: 101049W/E300004

**Sanjay Bachchani**

Partner

Membership No. 400419

Place: Gurugram

Date : May 24, 2022

**For and on behalf of the Board of Directors of NIIT Limited**
**Rajendra S Pawar**

Chairman

DIN - 00042516

**Sapnesh Kumar Lalla**

Executive Director &amp;

Chief Executive Officer

DIN - 06808242

**Vijay K Thadani**

Vice-Chairman &amp; Managing Director

DIN - 00042527

**Sanjay Mal**

Chief Financial Officer

**Deepak Bansal**

Company Secretary

**INDEPENDENT AUDITOR'S REPORT****To the Members of NIIT Limited****Report on the Audit of the Consolidated Financial Statements****Opinion**

We have audited the accompanying consolidated financial statements of NIIT Limited (hereinafter referred to as “the Holding Company”), its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) comprising of the consolidated Balance sheet as at March 31 2022, 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, 2022, 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.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

**INDEPENDENT AUDITOR'S REPORT** Contd..

Key audit matters	How our audit addressed the key audit matters
<p><b>Revenue recognition and recoverability from trade receivables and unbilled revenue</b> (refer to the summary of significant accounting policies in point 2(e), (l) (iii) and (n) and the disclosure in note 7 (ii), 7 (iii) and 16 of the consolidated financial statements)</p> <p>The Company derives a significant portion of its revenue from long-term and fixed-price projects. Estimation of effort is a critical estimate to determine revenues for fixed-price contracts. This estimate has a high inherent uncertainty as it requires consideration of the progress of the contract, efforts incurred till date, and efforts required to complete the remaining contract performance obligations. Some of the contracts have complex terms and conditions requiring management analysis, judgement and application of guidance for appropriate recognition of revenue and the corresponding balances of accounts receivables, unbilled revenues and deferred revenues.</p> <p>In consideration of certain key judgements and principles used for the recognition of revenue, we have identified this matter to be a key audit matter.</p> <p>Further, the Company has a significant amount of trade receivables and unbilled revenue of Rs 2,876.69 Mn in the balance sheet. The Company has determined the allowance for the expected credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. We focused on this risk as the balances are material and there are significant judgments involved in assessing the recoverability of trade receivables and unbilled revenue for calculating the expected credit losses.</p>	<p>Our audit procedures included the following:</p> <p>We have performed a walkthrough and obtained an understanding of the process and tested the operating effectiveness of key controls associated with the revenue recognition and accounts receivable process.</p> <p>We made enquiries to management and analysed contracts on sample basis to evaluate revenue recognition in accordance with the terms and conditions of the contract. We have:</p> <ul style="list-style-type: none"> <li>• Assessed the Company's accounting policies relating to revenue recognition;</li> <li>• Checked the revenue recognition from fixed price contracts by reading the supporting documents including inspection of contracts/statement of work/purchase orders from customers and documents evidencing delivery, on a test check basis;</li> <li>• Checked, pre and post year-end, sample of revenue recognized, with the supporting documents;</li> <li>• Circulated the confirmations for outstanding trade receivables on a sample basis on year-end, and performed alternate procedures for the confirmations not received;</li> <li>• We have obtained calculation of estimated efforts budgeted by management and performed a comparative analysis to the actual efforts;</li> <li>• Tested the ageing of trade receivables for a sample of invoices;</li> <li>• Checked the subsequent collection made from the trade receivables and subsequent billing for unbilled revenue and inquired of management for the reasons of any long outstanding amounts and correspondences with the customers;</li> <li>• Checked the calculation of expected credit loss model, based upon the past trend and forward-looking scenarios and ensured that recognition of the calculation of expected credit loss is in accordance with the provision of Ind AS 109;</li> <li>• Tested the journal entries impacting revenue, using data extracted from the accounting system, made in the preparation of the consolidated financial statements;</li> <li>• Checked the adequacy of disclosure given in the consolidated financial statement for compliance with the Accounting Standards.</li> </ul>

**INDEPENDENT AUDITOR'S REPORT** Contd..

Key audit matters	How our audit addressed the key audit matters
<p><b>Impairment of intangible assets and goodwill</b> (refer to the summary of significant accounting policies in points 2 (s), (t) and the disclosure in note 5 of the consolidated financial statements)</p>	
<p>Annually, the management assesses the impairment of internally generated intangible assets for each cash-generating Unit (CGU) and goodwill for an impairment test.</p> <p>As at the reporting date, the Company has internally generated intangible assets (including intangible assets under development) for which management has evaluated future economic benefits in accordance with Indian Accounting Standard ('Ind AS') 36, "Impairment of Assets".</p> <p>In consideration of the judgments required in particular with reference to the forecast of CGU cash flows and the assumptions used in estimating the value-in-use of these intangible assets and goodwill, we have identified this matter to be a key audit matter.</p>	<p>Our audit procedures included the following: We assessed the key information used in determining the valuation including the weighted average cost of capital, cash flow forecasts and the implicit growth. We have:</p> <ul style="list-style-type: none"> <li>• Assessed the Company's valuation methodology applied in determining the value in use;</li> <li>• Inspected and assessed with the help of our valuation specialists, management's most recent forecasts and the underlying assumptions/calculations having considered information on capacity, and expected growth rates from recent industry sources;</li> <li>• Assessed historical accuracy of management's budgets and forecasts by comparing them to actual performance;</li> <li>• Assessed the recoverable value headroom by performing sensitivity testing of key assumptions used;</li> <li>• Tested the arithmetical accuracy of the models;</li> <li>• Checked the disclosure given in the consolidated financial statement for compliance with the Accounting standards;</li> <li>• Obtained management's most recent financial results forecasts and liquidity analysis underlying their impairment assessment and tested the integrity of the forecasts, including mathematical accuracy;</li> <li>• Assessed potential changes in key drivers with management in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable.</li> </ul>
<p><b>Recoverability of deferred tax assets</b> (refer to the summary of significant accounting policies in point 2 (i) and the disclosure in note 8 (i) of the consolidated financial statements)</p>	
<p>The Company has recognized deferred tax assets of Rs. 308.18 Mn on timing differences. There is inherent uncertainty involved in forecasting future taxable profits, which determines the extent to which deferred tax assets are recognized.</p> <p>The analysis of the recoverability of such deferred tax assets has been identified as a key audit matter because the assessment process involves judgement regarding the future profitability and the likelihood of the realization of these assets, in particular, whether there will be taxable profits in future periods that support the recognition of these assets.</p> <p>There is an inherent uncertainty involved in forecasting future taxable profits, which determines the extent to which deferred tax assets are recognized. We have identified this matter to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Checked management's calculation of the Deferred tax assets and the key assumptions used;</li> <li>• Evaluated the design and implementation of key controls relating to the calculation of deferred tax asset;</li> <li>• Checked the basis for estimating projected future profits and evaluated the assumptions used by management in these profit forecasts;</li> <li>• Tested the tax adjustments, with the support from tax specialists, which are taken into account to estimate taxable income, applicable tax legislation and the decisions concerning the possibilities of using applicable tax benefits with respect to the group entities;</li> <li>• Performed sensitivity analysis on projections used for determining future taxable income to understand and challenge the key assumptions used by management;</li> <li>• Tested the arithmetical accuracy of the deferred tax calculation;</li> <li>• Checked the disclosure given in the consolidated financial statement for compliance with the Accounting Standards.</li> </ul>

**INDEPENDENT AUDITOR'S REPORT**

Contd..

Key audit matters	How our audit addressed the key audit matters
<p><b>Business combination</b> (refer to the summary of significant accounting policies in point 2 (k) and the disclosure in note 39 of the consolidated financial statements)</p>	<p>accounting policies in point 2 (k) and the disclosure in note 39</p>
<p>During the year, the Group made a strategic investment in RPS Consulting Private Limited on October 01, 2021. 70% stake of the Investee Company was purchased on October 01, 2021, and accordingly obtained control. The Group has determined October 01, 2021, as the date of acquisition of control.</p> <p>The assets and liabilities acquired were recognised at fair value at the date of acquisition. Goodwill was recognised as the remaining portion of the purchase price that was not allocated to the acquired assets and liabilities as part of the purchased price allocation.</p> <p>To determine fair value of individual assets acquired, including Customer relationships, trainer database and brand involves complex valuation models and assumptions used. This measurement was dependent on estimates of future cash flow as well as cost of capital applied which involves significant judgement.</p> <p>Further as per share purchase agreement, the Group will be acquiring the remaining stake over the period which involves uncertainty in the valuation of future liability.</p> <p>In this context and due to the underlying complexity of the valuation models, there is a risk that the fair values have not been determined appropriately.</p>	<p>With respect to the accounting for the acquisition:</p> <ul style="list-style-type: none"> <li>• Read the share purchase agreement with the shareholders of RPS Consulting Private Limited for obtaining an understanding of the acquisition and to evaluate the financial statement impact;</li> <li>• Evaluate whether the accounting treatment is in accordance with Ind AS 103 and Ind AS 32;</li> <li>• Involved internal valuation specialist to assess the appropriateness of the methodology applied by the management to determine the fair valuation of assets and liabilities acquired. Key assumptions and methodologies used by the management specialist were evaluated like discount rates, growth rates including terminal growth, projected cash flows in line with past trends and useful lives assigned for identified assets with reference to our own independent expectations, which were based on our industry knowledge and experience and have tested the valuation for mathematical accuracy;</li> <li>• In addition, we assessed whether the disclosures in the notes to the consolidated financial statements are in line with the requirement of Ind AS 103 and Ind AS 32.</li> </ul>

**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 identified 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 the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 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 the Group 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 the Group.

#### **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 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 judgement 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2022 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.

**Other Matter**

- (a) We did not audit the financial statements and other financial information, in respect of 17 subsidiaries, whose financial statements include total assets of Rs 3,968.76 Million as at March 31, 2022, total revenues of Rs 3,930.16 Million and net cash inflows of Rs 739.58 Million for the year ended on that date. These financial statements and other financial information have been audited by other auditors, which 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 reports of such other auditors.
- (b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 2 subsidiaries, whose financial statements and other financial information reflect total assets of Rs 4.65 Million as at March 31, 2022, and total revenues of Rs Nil Million and net cash outflows of Rs 0.40 Million for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates 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 such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations are given to us by the Management, these financial statements and other financial information are not material to the Group.

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 paragraph 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 the 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 Changes 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 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 of the Holding Company as on March 31, 2022 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, 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 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 and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2022, has been paid/provided by the Holding Company,

its subsidiaries 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, 2022;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, incorporated in India during the year ended March 31, 2022.
  - 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 41 (ix) 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 41 (x) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) 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 those 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 misstatement.
  - v. The dividend declared or paid during the year by the Holding Company and subsidiary companies incorporated in India, is in compliance with section 123 of the Act.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Sanjay Bachchani**

Partner

Membership Number: 400419

UDIN: 22400419AJMVIC9334

Place of Signature: Gurugram

Date: May 24, 2022



**ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 OF THE REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS****Re: NIIT Limited ('the Group')**

(xxi) Qualifications 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:

Sr. No	Name	CIN	Holding company/ subsidiary	Clause number of the CARO report which is qualified or is adverse
1	RPS Consulting Private Limited	U72200KA2006PTC041205	Subsidiary Company	Clause vii(a)

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Sanjay Bachchani**

Partner

Membership Number: 400419

UDIN: 22400419AJMVIC9334

Place of Signature: Gurugram

Date: May 24, 2022

**ANNEXURE -2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NIIT 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 Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, 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 were 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

**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

**ANNEXURE -2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS CONSOLIDATED FINANCIAL STATEMENTS OF NIIT LIMITED (Contd...)**

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, 2022, 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.

**Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to one subsidiary, which is a company incorporated in India, is based on the corresponding report of the auditor of such subsidiary, incorporated in India.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Sanjay Bachchani**

Partner

Membership Number: 400419

UDIN: 22400419AJMVIC9334

Place of Signature: Gurugram

Date: May 24, 2022

**CONSOLIDATED BALANCE SHEET**

(Amount in Rs. Millions, unless otherwise stated)

	Notes	As at	
		March 31, 2022	March 31, 2021 Restated refer note 38
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	1,471.21	1,448.12
Investment property	4	0.56	0.56
Goodwill	5	1,179.41	354.50
Other intangible assets	5	902.41	1,010.40
Right-of-use assets	6(ii)	151.87	282.86
Intangible assets under development	5	61.11	50.11
Financial assets			
Other financial assets	7(iii)	90.89	19.01
Deferred tax assets (net)	8(i)	308.18	165.21
Income tax assets (net)	8(ii)	453.75	486.62
Other non-current assets	9	61.58	0.25
<b>Total non-current assets</b>		<b>4,680.97</b>	<b>3,817.64</b>
<b>Current assets</b>			
Inventories	10	20.60	17.80
Financial assets			
Investments	7(i)	7,223.78	8,585.49
Trade receivables	7(ii)	1,886.18	1,456.15
Cash and cash equivalents	7(iv)	3,066.74	1,757.74
Bank balances other than above	7(v)	1,281.08	3,232.99
Other financial assets	7(iii)	2,643.27	2,500.53
Other current assets	9	280.91	153.16
<b>Total current assets</b>		<b>16,402.56</b>	<b>17,703.86</b>
<b>TOTAL ASSETS</b>		<b>21,083.53</b>	<b>21,521.50</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	11	267.74	284.70
Other equity	12		
Reserves and Surplus	12(i)	14,460.04	15,760.73
Other Reserves	12(ii)	424.96	358.80
<b>Equity attributable to owners of NIIT Limited</b>		<b>15,152.74</b>	<b>16,404.23</b>
Non controlling interests	35(b)	39.76	33.52
<b>TOTAL EQUITY</b>		<b>15,192.50</b>	<b>16,437.75</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	13(i)	5.31	77.15
Lease liabilities	6(ii)	107.06	202.58
Other financial liabilities	13(iii)	182.98	0.52
Deferred tax liabilities (net)	8(i)	15.38	12.92
Other non-current liabilities	15	0.79	1.17
<b>Total non-current liabilities</b>		<b>311.52</b>	<b>294.34</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	13(i)	85.23	202.50
Lease liabilities	6(ii)	54.66	97.61
Trade payables	13(ii)	1,251.37	911.22
Other financial liabilities	13(iii)	2,069.67	1,753.55
Provisions	14	418.14	412.79
Income tax liabilities (net)	8(ii)	209.75	154.03
Other current liabilities	15	1,490.69	1,257.71
<b>Total current liabilities</b>		<b>5,579.51</b>	<b>4,789.41</b>
<b>TOTAL LIABILITIES</b>		<b>5,891.03</b>	<b>5,083.75</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>21,083.53</b>	<b>21,521.50</b>

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date

**For S.R.Batlilboi & Associates LLP**

Chartered Accountants

Firm Registration No.: 101049W/E300004

**Sanjay Bachchani**

Partner

Membership No. 400419

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

**Rajendra S Pawar**

Chairman

DIN - 00042516

**Sapnesh Kumar Lalla**

Executive Director &  
Chief Executive Officer

DIN - 06808242

**Vijay K Thadani**

Vice-Chairman & Managing Director

DIN - 00042527

**Sanjay Mal**

Chief Financial Officer

**Deepak Bansal**

Company Secretary

Place: Gurugram

Date : May 24, 2022

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS**

(Amount in Rs. Millions, unless otherwise stated)

Notes	Year ended	
	March 31, 2022	March 31, 2021 Restated refer note 38
<b>Continuing and Discontinued Operations</b>		
<b>INCOME</b>		
	Revenue from operations	9,596.78
16	13,774.81	
	Other Income	902.25
17	517.11	
	<b>Total Income</b>	<b>10,499.03</b>
	<b>EXPENSES</b>	
	Purchase of stock-in-trade	80.62
	Change in inventories of stock-in-trade	28.58
10	(2.80)	
	Employee benefit expenses	5,420.93
18	6,908.12	
	Professional & technical outsourcing expenses	1,502.21
	Finance costs	59.79
19	20.70	
	Depreciation and amortisation expenses	594.81
3,5 & 6(ii)	576.61	
	Other expenses	953.17
20	1,451.00	
	<b>Total Expenses</b>	<b>8,640.11</b>
	<b>Profit before exceptional items</b>	<b>1,858.92</b>
	Exceptional items	(54.31)
22	(29.30)	
	<b>Profit before tax</b>	<b>1,804.61</b>
	<b>Tax expense:</b>	
23		
	- Current tax	214.96
	- Deferred tax charge/ (credit)	121.76
	<b>Total tax expense</b>	<b>336.72</b>
	<b>Profit for the year from continuing operations</b>	<b>1,467.89</b>
	<b>Loss after tax for the year from discontinued operations</b>	<b>(31.23)</b>
37	(39.11)	
	<b>Profit for the year</b>	<b>1,436.66</b>
	<b>Other comprehensive income</b>	
	Items that will not be reclassified to profit or loss	
	a) Remeasurement of the defined benefit obligation	(46.85)
24	(66.92)	
	b) Exchange differences on translation of foreign operations	(26.74)
12(ii)	67.48	
	c) Income tax effect	13.24
	d) Fair value changes on cash flow hedges, net	3.87
12(ii)	0.14	
		<b>(56.48)</b>
	Items that will be reclassified to profit or loss	
	a) Fair value changes on cash flow hedges, net	31.70
12(ii)	(1.46)	
	b) Income tax effect	-
		<b>31.70</b>
	<b>Other comprehensive income for the year, net of tax</b>	<b>(24.78)</b>
	<b>Total comprehensive income for the year</b>	<b>1,411.88</b>
	<b>Profit attributable to</b>	
	Owners of NIIT Limited	1,430.24
	Non-controlling interests	6.42
35(b)	2,261.96	
		<b>1,436.66</b>
	<b>Other comprehensive income attributable to:</b>	
	Owners of NIIT Limited	(24.78)
		<b>(24.78)</b>
	<b>Total comprehensive income attributable to</b>	
	Owners of NIIT Limited	1,405.46
	Non-controlling interests	6.42
		<b>1,411.88</b>
	<b>Earnings per equity share (Face Value Rs. 2 each) for Continuing Operations:</b>	
32		
	- Basic	10.31
	- Diluted	10.18
	<b>Loss per equity share (Face Value Rs. 2 each) for Discontinued Operations:</b>	
	- Basic	(0.22)
	- Diluted	(0.22)
	<b>Earnings per equity share (Face Value Rs. 2 each) for Continuing and Discontinued Operations:</b>	
	- Basic	10.09
	- Diluted	9.96

The accompanying notes form an integral part of these consolidated financial statements.  
As per our report of even date

For S.R.Batlboi & Associates LLP

Chartered Accountants

Firm Registration No.: 101049W/E300004

Sanjay Bachchani

Partner

Membership No. 400419

For and on behalf of the Board of Directors of NIIT Limited

Rajendra S Pawar

Chairman

DIN - 00042516

Vijay K Thadani

Vice-Chairman & Managing Director

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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 24, 2022

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

(Amount in Rs. Millions, unless otherwise stated)

Particulars	Number	Amount	Reserves and Surplus			Other Reserves			Total other equity	Non-Controlling Interests	Total
			Capital Reserve	Securities Premium	Employee Stock Option Outstanding	General Reserve	Capital Redemption Reserve	Retained Earnings			
<b>a) Equity Share Capital</b>											
Equity share of Rs. 2 each issued, subscribed and fully paid	141,508,401	283.03									
<b>Balance as at April 1, 2020</b>	836,583	1.67									
Issue of share capital [refer note 11(b)]	142,344,984	284.70									
<b>Balance as at April 1, 2021</b>	1,397,263	2.79									
Issue of share capital [refer note 11(b)]	(9,875,000)	(19.75)									
Buyback of equity shares [refer note 11(b)]	133,867,247	267.74									
<b>Balance as at March 31, 2022</b>											
<b>b) Other Equity</b>											
<b>Particulars</b>											
<b>Balance as at April 1, 2020</b>											
Profit for the year											
Other comprehensive income (net of tax)											
<b>Total comprehensive income for the year</b>											
Additions during the year on account of exercise of Employee Stock Options											
Share Based Payments (Refer note 25)		48.77									
Transferred to Securities Premium from Employee Stock Options Outstanding		18.41		40.69							
Dividend (Refer note 31)				(18.41)							
Transferred to Capital Reserve on purchase of Non-controlling interests [Refer note 35(b)]											
Transferred to Retained earning from Employee Stock Options Outstanding				(5.98)							
Buyback expense [Refer note 12(i)]											
<b>Balance as at March 31, 2021</b>											
<b>Balance as at April 1, 2021</b>											
Profit for the year											
Other comprehensive income (net of tax)											
<b>Total comprehensive income for the year</b>											
Additions during the year on account of exercise of Employee Stock Options											
Share Based Payments (Refer note 25)		105.72		158.15							
Transferred to Securities Premium from Employee Stock Options Outstanding		42.41		(42.41)							
Dividend (Refer notes 31)											
Adjustment of Non controlling interests [Refer note 35(b)]											
Transferred to Retained earning from Employee Stock Options Outstanding											
Buyback expense (net of tax) including tax on buyback [Refer note 12(i)]											
Creation of Capital Redemption Reserve [Refer note 12]											
Utilization against Buy Back [Refer note 12(i)]											
Transferred to Retained earnings [Refer note 12(i)]											
Fair valuation impact on future acquisition liability [Refer note 12(i)]											
<b>Balance as at March 31, 2022</b>											

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date

**For S B Batliboi & Associates LLP**

Chartered Accountants

Firm Registration No.: 101049W/E300004

**Sanjay Bachchan**

Partner

Membership No. 4004 19

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

**Rajendra S Powar**

Chairman

DIN - 00042516

**Vijay K Thadani**

Vice-Chairman & Managing Director

DIN - 00042527

**Sapnesh Kumar Lalla**

Executive Director &

Chief Executive Officer

DIN - 06806242

**Deepak Bansal**

Company Secretary

**CONSOLIDATED STATEMENT OF CASH FLOWS**

(Amount in Rs. Millions, unless otherwise stated)

	Year ended	
	March 31, 2022	March 31, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Profit/ (Loss) before exceptional items and tax</b>		
From Continuing Operations	2,884.61	1,858.92
From Discontinued Operations	(50.28)	(31.23)
<b>Adjustments to reconcile profit before tax to net cash flows</b>		
Depreciation and Amortisation	576.65	595.45
Finance Cost	19.11	57.35
Interest Income	(201.69)	(374.17)
Rent Concession	(1.43)	-
Gain on termination of leases	(12.00)	(4.91)
Unwinding of discount on borrowings and deferred payment liability	1.59	2.51
Profit on sale/ disposal of Property, Plant and Equipment and Intangible assets (net)	(0.73)	(11.83)
Net gain on Investment carried at fair value through profit and loss	(260.15)	(468.70)
Allowance/ Write off of Doubtful Debts (net of reversal)	(11.91)	28.04
Allowance for Doubtful Advances (net of reversal)	0.82	2.38
Allowance for Unbilled Revenue	43.28	19.87
Allowance for Slow/ Non-moving Inventory/ (Written back) - (net)	(13.54)	(27.52)
Liabilities/ Provisions no longer required written back	(2.06)	(1.11)
Unrealised Foreign Exchange Gain (net)	(6.47)	(11.55)
Share Based Payments	158.15	40.69
<b>Operating cash flows before working capital changes</b>	<b>3,123.95</b>	<b>1,674.19</b>
<b>Working Capital Adjustments</b>		
Increase/ (Decrease) in Trade Payables	162.00	(135.68)
Increase/(Decrease) in Other Non Current Financial Liabilities	21.95	(0.35)
Decrease in Other Non Current Liabilities	(0.38)	(1.64)
Increase in Other Current Liabilities	215.19	618.78
(Decrease)/ Increase in Other Current Financial Liabilities	(89.75)	462.21
(Decrease)/ Increase in Short-Term Provisions	(75.62)	46.32
Increase in Current Trade Receivables	(230.65)	(12.92)
Decrease in Non Current Trade Receivables	-	0.97
Decrease in Inventories	12.74	41.15
Increase in Other Non Current Assets	(2.29)	(2.49)
(Increase)/ Decrease in Other Current Assets	(98.74)	133.55
Decrease/ (Increase) in Other Current Financial Assets	315.60	(495.96)
Decrease in Other Non Current Financial Assets	4.71	42.57
<b>Net cash flow generated from operations before tax</b>	<b>3,358.71</b>	<b>2,370.70</b>
Direct Tax- (paid including TDS)/ refund received (net)	(480.60)	28.99
<b>Net Cash flow generated from Operating activities before Exceptional Items</b>	<b>2,878.11</b>	<b>2,399.69</b>
Exceptional Items (Other than those disclosed in movement in working capital)	-	(41.37)
<b>Net Cash flow generated from operating activities (A)</b>	<b>2,878.11</b>	<b>2,358.32</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Property, Plant and Equipment (including Capital Work-in-progress, internally developed intangibles and Capital Advances)	(263.99)	(302.86)
Proceeds from sale of property, plant and equipment	4.88	16.21
Encashment/ Placement of Fixed Deposits from/with Banks (Net)	1,386.58	(829.93)
Encashment of Deposits from other Financial Institution (Net)	773.78	476.22
Proceeds from sale of mutual funds	5,077.47	2,264.72
Purchase of mutual funds	(4,229.39)	(2,418.48)
Payment towards acquisition of businesses	(791.52)	(38.22)
Expenses in relation to acquisition of business	(8.21)	-
Expenses in relation to scheme of arrangement	(5.33)	-
Interest received	327.77	431.69
<b>Net Cash flows generated from / (used in) Investing activities (B)</b>	<b>2,272.04</b>	<b>(400.65)</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS**

Contd...

(Amount in Rs. Millions, unless otherwise stated)

	Year ended	
	March 31, 2022	March 31, 2021
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Issue of shares under Employee stock option scheme	108.51	50.44
Purchase of shares under buyback scheme	(2,370.00)	-
Tax on buyback	(552.12)	-
Expenses in relation to buyback	(15.12)	(16.57)
Payment of lease liabilities	(106.50)	(153.82)
Repayment of long term borrowings	(185.75)	(278.97)
Proceeds from long term borrowings	-	53.39
Repayment of short term borrowings (net)	-	(301.47)
Repayment of Notes Payable	-	(20.34)
Interest paid	(5.57)	(31.97)
Purchase/ Settlement of shares from non controlling interests	-	(0.22)
Dividend paid to equity share holders of the Holding Company	(734.82)	(279.47)
<b>Net Cash flow used in Financing activities (C)</b>	<b>(3,861.37)</b>	<b>(979.00)</b>
<b>Net Increase in cash &amp; cash equivalents (A) + (B) + (C)</b>	<b>1,288.78</b>	<b>978.67</b>
Adjustment on account of Foreign Exchange Fluctuations	19.79	(97.78)
<b>Cash and Cash equivalents as at the beginning of the year (Note 1)</b>	<b>1,768.60</b>	<b>887.71</b>
<b>Cash and cash equivalents as at the end of the year</b>	<b>3,077.17</b>	<b>1,768.60</b>

**Notes: Reconciliation of cash and cash equivalents as per the cash flow statement**
**1) 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)]	3,066.74	1757.74
Add: Dividend accounts [Refer note 7(v)]	10.43	10.86
<b>Cash and cash equivalents as at the end of the year</b>	<b>3077.17</b>	<b>1768.60</b>

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.Batlboi & Associates LLP**

Chartered Accountants

Firm Registration No.: 101049W/E300004

**Sanjay Bachchani**

Partner

Membership No. 400419

**For and on behalf of the Board of Directors of NIIT Limited**
**Rajendra S Pawar**

Chairman

DIN - 00042516

**Vijay K Thadani**

Vice-Chairman &amp; Managing Director

DIN - 00042527

**Sapnesh Kumar Lalla**

Executive Director &amp;

Chief Executive Officer

DIN - 06808242

**Sanjay Mal**

Chief Financial Officer

**Deepak Bansal**

Company Secretary

Place: Gurugram

Date : May 24, 2022



## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

### 1 Corporate Information

NIIT Limited ('the Company') is a talent development Company which was set up in 1981. NIIT ('the Company') currently offers learning and knowledge solutions across the globe to individuals, enterprises and various institutions. The Company is a public listed Company and is listed on Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). 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 Holding 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.

### 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 Limited, its subsidiaries and associate, 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.

**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 NIIT Limited 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.

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 it 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.

**i) 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.

The Group has adopted the amendments to Ind AS 116 for the first time in the previous 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.

**(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.

## I) 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
Buildings	58 Years
Leasehold Land	99 years or lease period, whichever is lower
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

Freehold land is not depreciated.

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) Investment property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset’s carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

**s) 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, Trainers Database and Customer Relationships**

Brand, Trainers Database 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.

**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	10 Years
- Others	3-5 Years
b) Acquired (Software, contents and products)	3-5 Years
c) Patents	3-5 Years
d) Brand	2 Years
e) Trainers Database	5 Years
f) Customer Relationships	3 Years

**t) 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).

**u) 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.

**v) 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.

**w) 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.

**x) 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.

y) **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 its 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.

**z) 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.

**aa) 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.

**ab) 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.

**ac) 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.

**ad) 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.

**ae) 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 2y.

Measurement of useful life and residual values of property, plant and equipment -refer note 2q.

Judgement required to determine grant date fair value technique -refer notes 2z and 25.

Fair value measurement of financial instruments - refer notes 2ad and 26.

Judgement required to determine probability of recognition of deferred tax assets and MAT credit entitlement - 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.

**af) 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.

**ag) Non-current assets held for sale and discontinued operations**

Non-current assets (or disposal group) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write –down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non –current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in balance sheet.

A discontinued operations is a component of the entity that has been disposed off or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose off such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the consolidated statement of profit or loss.



**Notes to the Consolidated Financial Statements for the year ended March 31, 2022** (Amount in Rs. Millions, unless otherwise stated) **Contd..**

**3. Property, plant and equipment and capital work-in-progress**

Particulars	Land		Building (Footnote ii)	Plant & Equipments	Leasehold Improvements	Furniture & Fixtures	Vehicles	Office Equipments	Total Tangible assets other than Capital Work-in-Progress	Capital Work-in-Progress	Total Tangible assets
	Freehold	Leasehold (Footnote i)									
<b>Year ended March 31, 2021</b>											
Gross carrying amount	741.99	6.93	604.93	426.71	143.65	111.76	14.11	28.90	2,078.98	1.03	2,080.01
Opening gross carrying amount	-	-	-	54.19	-	8.58	-	3.49	66.26	-	66.26
Additions	-	-	-	33.07	60.86	21.98	1.14	3.28	120.33	1.03	121.36
Disposals	-	-	-	1.49	0.27	2.26	0.13	0.16	4.31	-	4.31
Exchange differences	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount (A)	741.99	6.93	604.93	449.32	83.06	100.62	13.10	29.27	2,029.22	-	2,029.22
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-
Opening accumulated depreciation	-	0.95	44.78	307.93	137.01	85.41	7.34	16.03	599.45	-	599.45
Depreciation charged during the year	-	0.07	11.44	63.54	5.52	8.26	1.84	4.16	94.83	-	94.83
Disposals	-	-	-	32.08	60.72	20.78	1.12	2.31	117.01	-	117.01
Exchange differences	-	-	-	1.58	0.28	1.87	-	0.10	3.83	-	3.83
Closing accumulated depreciation (B)	-	1.02	56.22	340.97	82.09	74.76	8.06	17.98	581.10	-	581.10
Net carrying amount (A-B)	741.99	5.91	548.71	108.35	0.97	25.86	5.04	11.29	1,448.12	-	1,448.12
<b>Year ended March 31, 2022</b>											
Gross carrying amount	741.99	6.93	604.93	449.32	83.06	100.62	13.10	29.27	2,029.22	-	2,029.22
Acquired through business combination (refer note 39)	-	-	-	22.56	15.34	2.61	0.03	3.42	43.96	-	43.96
Additions	-	-	-	88.19	0.28	0.38	15.72	0.08	104.65	-	104.65
Disposals	-	-	-	44.11	8.88	5.92	2.88	0.27	62.06	-	62.06
Exchange differences	-	-	-	11.96	0.82	3.22	0.18	(0.26)	15.92	-	15.92
Closing gross carrying amount (C)	741.99	6.93	604.93	527.92	90.62	100.91	26.15	32.24	2,131.69	-	2,131.69
Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-
Opening accumulated depreciation	-	1.02	56.22	340.97	82.09	74.76	8.06	17.98	581.10	-	581.10
Acquired through business combination (refer note 39)	-	-	-	17.67	14.89	1.97	0.03	3.09	37.65	-	37.65
Depreciation charged during the year	-	0.07	11.44	67.25	0.86	6.93	1.65	4.09	92.29	-	92.29
Disposals	-	-	-	41.79	8.74	4.26	2.88	0.17	57.84	-	57.84
Exchange differences	-	-	-	3.84	0.80	2.81	0.07	(0.24)	7.28	-	7.28
Closing accumulated depreciation (D)	-	1.09	67.66	387.94	89.90	82.21	6.93	24.75	660.48	-	660.48
Net carrying amount (C-D)	741.99	5.84	537.27	139.98	0.72	18.70	19.22	7.49	1,471.21	-	1,471.21

**Footnotes:**

- (i) Leasehold land represents 25 acres of land at Tehsil Behror, District Alwar is allotted for education purpose. The Holding Company has filed an application seeking approval to transfer this land with the allotment authority, Government of Rajasthan.
- (ii) Building includes 10 shares of Rs. 50/- each in the Guru Vidya Co-operative Housing Society Limited.
- (iii) Refer note 13(i) for assets pledged.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

## 4 Investment property

Particulars	Amount
<b>Year ended March 31, 2021</b>	
<b>Gross carrying amount</b>	
Opening gross carrying amount	0.56
<b>Closing gross carrying amount</b>	<b>0.56</b>
<b>Year ended March 31, 2022</b>	
<b>Gross carrying amount</b>	
Opening gross carrying amount	0.56
<b>Closing gross carrying amount</b>	<b>0.56</b>

The Group has not generated any rental income from the investment property, since inception.

The Group's investment property consist of one piece of Land in district Mehsana, Gujarat, India. The management has determined that the investment property consist of only one classes of assets – Land – based on the nature, characteristics and risks of property.

## 5 Intangible assets, Goodwill and Intangible assets under development

Particulars	Internally Generated (footnote 1)	Software Acquired	Brand [Refer note 5(a)]	Trainers Database	Customer Relationships	Total Intangibles assets other than Goodwill and Intangible assets under development	Goodwill [Refer note 5(a)]	Intangible assets under development (footnote i)	Total Intangible assets
<b>Year ended March 31, 2021</b>									
<b>Gross carrying amount</b>									
Opening gross carrying amount	1,621.07	235.98	91.19	-	-	1,948.24	364.46	211.51	2,524.21
Additions	389.69	1.74	-	-	-	391.43	-	228.29	619.72
Disposals	-	106.60	-	-	-	106.60	-	-	106.60
Transfer	-	-	-	-	-	-	-	(389.69)	(389.69)
Exchange differences	64.86	(0.65)	(2.66)	-	-	61.55	(9.96)	-	51.59
<b>Closing gross carrying amount (A)</b>	<b>2,075.62</b>	<b>130.47</b>	<b>88.53</b>	<b>-</b>	<b>-</b>	<b>2,294.62</b>	<b>354.50</b>	<b>50.11</b>	<b>2,699.23</b>
<b>Accumulated amortisation and impairment</b>									
<b>Opening accumulated amortisation and impairment</b>	801.57	202.78	-	-	-	1,004.35	-	-	1,004.35
Amortisation charge during the year	318.17	34.52	-	-	-	352.69	-	-	352.69
Amortisation charge to exceptional items (Refer note 22)	23.36	-	-	-	-	23.36	-	-	23.36
Disposals	-	106.35	-	-	-	106.35	-	-	106.35
Exchange differences	15.10	(4.93)	-	-	-	10.17	-	-	10.17
<b>Closing accumulated amortisation and impairment (B)</b>	<b>1,158.20</b>	<b>126.02</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,284.22</b>	<b>-</b>	<b>-</b>	<b>1,284.22</b>
<b>Net carrying amount (A-B)</b>	<b>917.42</b>	<b>4.45</b>	<b>88.53</b>	<b>-</b>	<b>-</b>	<b>1,010.40</b>	<b>354.50</b>	<b>50.11</b>	<b>1,415.01</b>
<b>Year ended March 31, 2022</b>									
<b>Gross carrying amount</b>									
Opening gross carrying amount	2,075.62	130.47	88.53	-	-	2,294.62	354.50	50.11	2,699.23
Acquired through business combination (refer note 39)	0.07	-	3.75	76.73	49.27	129.82	830.88	-	960.70
Additions	89.33	14.73	-	-	-	104.06	-	100.33	204.39
Disposals	2.58	2.71	-	-	-	5.29	-	-	5.29
Transfer	-	-	-	-	-	-	-	(89.33)	(89.33)
Exchange differences	55.19	0.23	3.31	-	-	58.73	12.38	-	71.11
<b>Closing gross carrying amount (C)</b>	<b>2,217.63</b>	<b>142.72</b>	<b>95.59</b>	<b>76.73</b>	<b>49.27</b>	<b>2,581.94</b>	<b>1,197.76</b>	<b>61.11</b>	<b>3,840.81</b>
<b>Accumulated amortisation and impairment</b>									
<b>Opening accumulated amortisation and impairment</b>	1,158.20	126.02	-	-	-	1,284.22	-	-	1,284.22
Acquired through business combination (refer note 39)	0.07	-	-	-	-	0.07	-	-	0.07
Amortisation charge during the year	347.79	8.23	0.94	7.67	8.21	372.84	-	-	372.84
Impairment charge during the year	-	-	-	-	-	-	18.35	-	18.35
Disposals	2.58	2.71	-	-	-	5.29	-	-	5.29
Exchange differences	27.51	0.18	-	-	-	27.69	-	-	27.69
<b>Closing accumulated amortisation and impairment (D)</b>	<b>1,530.99</b>	<b>131.72</b>	<b>0.94</b>	<b>7.67</b>	<b>8.21</b>	<b>1,679.53</b>	<b>18.35</b>	<b>-</b>	<b>1,679.53</b>
<b>Net carrying amount (C-D)</b>	<b>686.64</b>	<b>11.00</b>	<b>94.65</b>	<b>69.06</b>	<b>41.06</b>	<b>902.41</b>	<b>1,179.41</b>	<b>61.11</b>	<b>2,161.28</b>

## Footnotes:

(i) Refer note 5 (i) for cost incurred during the year on internally generated intangible assets.

(ii) Refer note 13(i) for assets pledged.

(iii) Subsequent to the fair valuation of assets and liabilities pertaining to acquisition, the Group recognised intangible assets (Brand, Trainers Database 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, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

Reconciliation of Depreciation and Amortisation charged to Consolidated Statement of Profit and Loss (Continuing and discontinued operations)	March 31, 2022	March 31, 2021
(i) Depreciation on Property, plant and equipment	92.29	94.83
(ii) Amortisation on Intangible assets	391.19	376.05
(iii) Depreciation on Right-of-use assets	93.17	147.93
<b>Sub Total (A)</b>	<b>576.65</b>	<b>618.81</b>
<b>Less:</b>		
(i) Depreciation/ Amortisation charge to exceptional items (refer note 22)	-	23.36
(ii) Depreciation/ Amortisation for discontinued operation	0.04	0.64
<b>Sub Total (B)</b>	<b>0.04</b>	<b>24.00</b>
<b>Depreciation/ Amortisation recognised in Consolidated Statement of Profit and Loss as continuing operation (A-B)</b>	<b>576.61</b>	<b>594.81</b>

## 5(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 carrying amount of goodwill & brand allocated to CGUs:

Particulars	RPS Consulting Business*	Life Sciences Practice	Perceptron Labs	Total
As at March 31, 2022	830.88	440.37	-	1,271.25
As at March 31, 2021	-	424.68	18.35	443.03

\* RPS Consulting Business's Brand has definitive life of two year amounting to Rs. 2.81 Million not included in above table.

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.

**RPS Consulting Business**

The recoverable amount of the RPS Consulting Business 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 in the consolidated statement of profit and loss for the year ended March 31, 2022.

**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, 2022.

**Perceptron Labs**

The recoverable amount of the Perceptron Labs 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 carrying value exceeds the recoverable amount. As a result of this analysis, the Group has recognised an impairment charge of Rs. 18.35 Million against goodwill in the consolidated statement of profit and loss for the year ended March 31, 2022.

**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, 2022	March 31, 2021
RPS Consulting Business	11.75%	NA
Life Sciences Practice	6.56%	5.70%
Perceptron Labs	11.75%	14.50%

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, 2022	March 31, 2021
RPS Consulting Business	4%	-
Life Sciences Practice	2%	2%
Perceptron Labs	0%	0%

A reduction by 5% in the long-term growth rate in the respective CGUs would not result in any impairment.

- 5 (b) 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, 2022	March 31, 2021
<b>Opening Balance</b>	50.11	211.51
<b>Add:-Expenses capitalised during the year</b>		
Salary and Other Employee Benefits	64.02	87.72
Professional & Outsourcing Expenses	28.57	137.12
Other Expenses	7.74	3.45
<b>Less:-Intangible assets capitalised during the year</b>	(89.33)	(389.69)
<b>Closing Balance</b>	<b>61.11</b>	<b>50.11</b>

Ageing of projects

Projects in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
March 31, 2022	50.95	10.16	-	-	61.11
March 31, 2021	50.11	-	-	-	50.11

6 Leases

- 6(i) The following are the amounts recognised in the statement of profit and loss for short term leases:

Particulars	Year ended	
	March 31, 2022	March 31, 2021
In respect of Premises*	46.76	50.70
In respect of Equipments**	70.73	40.38
In respect of Vehicles	1.97	2.99
	<b>119.46</b>	<b>94.07</b>

\* Includes payment in respect of premises for office and employee accommodation.

\*\* Includes payment in respect of computers, printers and other equipments.

Aggregate amount during the year under discontinued operations for short term leases in respect of equipments, vehicles and premises for office and employees accommodation amounting to Rs. 0.12 Million (Previous year Rs. 0.42 Million).

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

## 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
<b>As at April 1, 2020</b>	<b>763.56</b>	<b>36.76</b>	<b>800.32</b>
Additions / Modifications	(9.63)	8.36	(1.27)
Deletion	(366.14)	(3.46)	(369.60)
Depreciation	(132.23)	(15.70)	(147.93)
Translation difference	1.34	-	1.34
<b>As at March 31, 2021</b>	<b>256.90</b>	<b>25.96</b>	<b>282.86</b>
Acquired through business combination (refer note 39)	19.01	-	19.01
Additions / Modifications	40.90	4.28	45.18
Deletion	(86.88)	(2.99)	(89.87)
Depreciation	(80.51)	(12.66)	(93.17)
Translation difference	(12.14)	-	(12.14)
<b>As at March 31, 2022</b>	<b>137.28</b>	<b>14.59</b>	<b>151.87</b>

The following are the carrying amount of Lease liabilities and movement during the year :

Particulars	Total
<b>As at April 01, 2020</b>	<b>800.32</b>
Additions / Modifications	(3.09)
Deletion	(362.46)
Accretion of interest	28.95
Payments	(153.82)
Rent concession*	(9.07)
Translation difference	(0.64)
<b>As at March 31, 2021</b>	<b>300.19</b>
Acquired through business combination (refer note 39)	20.00
Additions / Modifications	45.57
Deletion	(97.89)
Accretion of interest	14.15
Payments	(106.50)
Rent concession*	(1.43)
Translation difference	(12.37)
<b>As at March 31, 2022</b>	<b>161.72</b>

\*During the year, the Holding Company has availed rent concessions of Rs. 1.43 Million (Previous year Rs. 9.07 Million) from lessors on account of COVID-19 and recorded the same as other income and exceptional income respectively in the statement of profit and loss consequent to amendment in Ind AS 116 "Leases" (Refer notes 17 and 22).

The following is the break-up of current and non-current lease liabilities:

Particulars	March 31, 2022	March 31, 2021
Lease Liabilities (Non-current)	107.06	202.58
Lease Liabilities (Current)	54.66	97.61
<b>Total</b>	<b>161.72</b>	<b>300.19</b>

The following are the amounts recognised in Consolidated Statement of Profit and Loss:

Particulars	March 31, 2022	March 31, 2021
Depreciation expense*	93.17	147.65
Interest expense on Lease Liabilities**(refer note 19)	14.15	28.88
Gain on termination of Lease Assets (Net) (refer notes 17 and 22)	(12.00)	(28.84)
<b>Total</b>	<b>95.32</b>	<b>147.69</b>

\*Excluding depreciation expense charged in discontinued operations in Consolidated Statement of Profit and Loss is Nil (Previous year Rs 0.28 Million).

\*\*Excluding Interest on lease liabilities charged in discontinued operations in Consolidated Statement of Profit and Loss is Nil (Previous year Rs 0.07 Million).

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, 2022	March 31, 2021
Less than one year	54.66	97.61
One to two years	35.83	57.06
More than two years	92.91	145.52
<b>Total Amount</b>	<b>183.40</b>	<b>300.19</b>

**Notes to the Consolidated Financial Statements for the year ended March 31, 2022** Contd..  
(Amount in Rs. Millions, unless otherwise stated)

		As at	
		March 31, 2022	March 31, 2021
<b>7 Financial assets</b>			
<b>7(i) Investment</b>			<b>Current</b>
<b>Carried at Fair Value through statement of profit and loss [Quoted]</b>			
Investment in Mutual Funds*		5,776.78	6,364.71
<b>Carried at amortised cost [Unquoted]</b>			
Investment in term deposits with Financial Institution		1,447.00	2,220.78
		<b>7,223.78</b>	<b>8,585.49</b>
		<b>5,776.78</b>	<b>6,364.71</b>

\*Market Value of Quoted Investments

		As at	
		March 31, 2022	March 31, 2021
<b>7(ii) Trade receivables</b>			<b>Current</b>
Unsecured, considered good		1,886.18	1,456.15
Unsecured - credit impaired		610.45	680.52
Less: Allowance for doubtful debts [Refer note 27(A)]		(610.45)	(680.52)
		<b>1,886.18</b>	<b>1,456.15</b>

(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, 2022**

Particulars	Current but 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	1,437.45	436.06	6.32	5.33	1.02	-	1,886.18
Undisputed trade receivables – credit impaired	0.23	0.44	1.27	5.33	34.52	568.66	610.45
<b>Total</b>	<b>1,437.68</b>	<b>436.50</b>	<b>7.59</b>	<b>10.66</b>	<b>35.54</b>	<b>568.66</b>	<b>2,496.63</b>
Less: Allowance for doubtful debts							(610.45)
<b>Total</b>							<b>1,886.18</b>

**Ageing of trade receivables as at March 31, 2021**

Particulars	Current but 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	1,075.94	224.99	53.75	83.41	11.09	6.97	1,456.15
Undisputed trade receivables – credit impaired	0.61	1.00	21.52	33.76	11.09	612.54	680.52
<b>Total</b>	<b>1,076.55</b>	<b>225.99</b>	<b>75.27</b>	<b>117.17</b>	<b>22.18</b>	<b>619.51</b>	<b>2,136.67</b>
Less: Allowance for doubtful debts							(680.52)
<b>Total</b>							<b>1,456.15</b>

		As at			
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>7(iii) Other financial assets</b>				<b>Current</b>	
<b>a) Security Deposits</b>					
Unsecured, considered good		17.49	17.13	5.53	11.76
Unsecured, considered doubtful		15.28	15.25	-	-
Less: Allowance for doubtful deposits		(15.28)	(15.25)	-	-
		<b>17.49</b>	<b>17.13</b>	<b>5.53</b>	<b>11.76</b>

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

	As at			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non-Current		Current	
<b>b) Contract assets - Unbilled Revenue</b>				
Unsecured, considered good (Refer note 16.1)	-	-	990.51	776.83
Unsecured, considered doubtful	-	-	91.31	48.03
Less: Provision for doubtful unbilled revenue	-	-	(91.31)	(48.03)
	-	-	<b>990.51</b>	<b>776.83</b>
<b>c) Interest receivable</b>				
Interest Accrued on bank and other deposits	0.69	0.05	109.39	237.12
<b>d) Derivative asset (refer note 27 D)</b>	-	-	16.20	26.34
<b>e) Other receivables</b>	-	-	641.01	1,061.87
<b>f) Bank deposits</b>				
With remaining maturity of more than 12 months*	72.71	1.83	-	-
With remaining maturity of less than 12 months	-	-	880.63	386.61
<b>Total</b>	<b>90.89</b>	<b>19.01</b>	<b>2,643.27</b>	<b>2,500.53</b>

Refer note 13(i)(A) for assets pledged.

\*Deposit of Rs. 20.01 Million (Previous year Rs. Nil) pledged as margin money with bank for issuance of bank guarantees.

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	982.80	7.71	-	-	-	990.51
Undisputed unbilled revenue - credit impaired	-	-	0.30	1.83	89.18	91.31
<b>Total</b>	<b>982.80</b>	<b>7.71</b>	<b>0.30</b>	<b>1.83</b>	<b>89.18</b>	<b>1,081.82</b>
Less: Allowance for doubtful unbilled revenue						(91.31)
<b>Total</b>						<b>990.51</b>

Ageing of unbilled revenue from transaction date as at March 31, 2021

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	737.25	2.73	1.83	-	35.02	776.83
Undisputed unbilled revenue - credit impaired	-	-	-	-	48.03	48.03
<b>Total</b>	<b>737.25</b>	<b>2.73</b>	<b>1.83</b>	<b>-</b>	<b>83.05</b>	<b>824.86</b>
Less: Allowance for doubtful unbilled revenue						(48.03)
<b>Total</b>						<b>776.83</b>

7(iv) Cash and cash equivalents	As at	
	March 31, 2022	March 31, 2021
	Current	
Balance with banks		
-Current Accounts	3,006.51	1,718.70
-Deposits with original maturity of less than 3 months*	59.77	38.00
Cheques and drafts on hand	-	0.86
Cash on hand	0.46	0.18
	<b>3,066.74</b>	<b>1,757.74</b>

\*Short term Deposits are made with banks for varying periods of up to three months depending on the immediate cash requirements of the Group and to earn interest at the respective short term deposit rates.

7(v) Bank balances other than above	As at	
	March 31, 2022	March 31, 2021
	Current	
Bank deposits		
-With original maturity of more than 3 months and upto 12 months*	1,270.65	3,222.13
Dividend Accounts	10.43	10.86
	<b>1,281.08</b>	<b>3,232.99</b>

\*Deposit of Rs. 3.38 Million (Previous year Rs. 2.24 Million) pledged as margin money with bank for issuance of bank guarantees.

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.

8 Tax Assets (Net)

8(i) Deferred Tax Assets/ Liabilities

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Deferred Tax Assets</b>		
<b>The balance comprises temporary differences attributable to:</b>		
Provisions	44.15	54.00
Tax impact of difference between carrying amount of Property, plant and equipments and Intangible assets in the financial statements and as per Income Tax	67.36	83.58
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	2.11	4.80
Provision for gratuity and compensated absences	87.15	61.50
Carry forward losses [refer footnote (c) ]	209.16	29.39
Allowance for doubtful debts and advances	83.84	89.27
Others	2.58	3.92
<b>Total deferred tax assets</b>	<b>496.35</b>	<b>326.46</b>
<b>Deferred Tax Liabilities</b>		
Unrealised gain on Investment marked to market	(203.54)	(174.92)
Others	(0.01)	0.75
<b>Total deferred tax liabilities</b>	<b>(203.55)</b>	<b>(174.17)</b>
<b>Net deferred tax assets</b>	<b>292.80</b>	<b>152.29</b>
Deferred tax assets recognised in Consolidated Balance Sheet	308.18	165.21
Deferred tax liabilities recognised in Consolidated Balance Sheet	(15.38)	(12.92)

- (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.
- (c) Based on the expected return on investments as per future business plan, the Holding Company has recognised Deferred Tax Asset of Rs. 179.51 Million on long term capital losses on cancellation of shares of NYJL (refer notes 23(b) and 40).

Movement in Deferred Tax Assets/ (Liabilities)

Movement in deferred tax assets / (liabilities) (net)	Property, Plant and Equipments and Intangible Assets	Provision for Gratuity and Compensated Absence	Provisions	Others	Minimum Alternate Tax (MAT)	Right-of-use assets/ Lease Liabilities	Total
<b>As at April 1, 2020</b>	<b>89.50</b>	<b>39.38</b>	<b>189.23</b>	<b>(62.66)</b>	<b>31.29</b>	<b>5.54</b>	<b>292.28</b>
(charged)/credited:							
- to profit or loss	(5.92)	8.88	(42.06)	(81.92)	-	(0.74)	(121.76)
- to other comprehensive income	-	13.24	-	-	-	-	13.24
- Utilisation of MAT/ Exchange differences	-	-	-	(0.18)	(31.29)	-	(31.47)
<b>As at March 31, 2021</b>	<b>83.58</b>	<b>61.50</b>	<b>147.17</b>	<b>(144.76)</b>	<b>-</b>	<b>4.80</b>	<b>152.29</b>
Acquired through business combination (refer note 39)	3.46	3.57	-	-	-	-	7.03
(charged)/credited:							
- to profit or loss	(18.44)	5.19	(13.81)	133.54	-	(2.72)	103.76
- to other comprehensive income	-	16.95	-	-	-	-	16.95
- Exchange differences	(1.24)	(0.06)	(0.01)	14.05	-	0.03	12.77
<b>As at March 31, 2022</b>	<b>67.36</b>	<b>87.15</b>	<b>133.35</b>	<b>2.83</b>	<b>-</b>	<b>2.11</b>	<b>292.80</b>

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.

8(ii) Income Tax Assets/ (Liabilities)(net)

Taxes recoverable	As at			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non-Current		Current	
Advance Income Tax	798.38	2,042.29	191.22	52.34
Less : Provision for Income Tax	(344.63)	(1,555.67)	(400.97)	(206.37)
	<b>453.75</b>	<b>486.62</b>	<b>(209.75)</b>	<b>(154.03)</b>



**Notes to the Consolidated Financial Statements for the year ended March 31, 2022** Contd..  
(Amount in Rs. Millions, unless otherwise stated)

9	Other assets	As at			
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		Non-Current		Current	
i)	<b>Capital Advances</b>				
	Unsecured, considered good	59.86	-	-	-
		<b>59.86</b>	<b>-</b>	<b>-</b>	<b>-</b>
ii)	<b>Advances recoverable in cash or in kind</b>				
	Unsecured, considered good	1.72	0.25	212.01	125.56
	Unsecured, considered doubtful	62.53	102.26	0.89	1.85
	Less: Allowance for doubtful advances	(62.53)	(102.26)	(0.89)	(1.85)
		<b>1.72</b>	<b>0.25</b>	<b>212.01</b>	<b>125.56</b>
iii)	<b>Balances with Government Authorities (net)</b>	-	-	68.90	27.60
		-	-	<b>68.90</b>	<b>27.60</b>
		<b>61.58</b>	<b>0.25</b>	<b>280.91</b>	<b>153.16</b>

Refer note 13(i)(A) for assets pledged.

10	Inventories (Valued at lower of cost or net realisable value) As at the end of the year	As at	
		March 31, 2022	March 31, 2021
	Stock-in-trade		
	Education and Training Material*	20.60	17.80
		<b>20.60</b>	<b>17.80</b>
	<b>As at the beginning of the year</b>		
	Stock-in-trade		
	Education and Training Material*	17.80	46.38
		<b>17.80</b>	<b>46.38</b>
	<b>(Increase)/ Decrease in Inventories</b>	<b>(2.80)</b>	<b>28.58</b>

\* Net of provision for non-moving inventories of Rs. 27.92 Million (Previous year - Rs. 26.60 Million).

**11 Share capital**

**a) Authorised Share Capital**

Particulars	Equity Shares of Rs. 2 each		Redeemable Preference Shares of Rs. 100 each		Cumulative Redeemable Preference Shares of Rs. 1 each	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
<b>As at April 1, 2020</b>	411,000,000	822.00	2,500,000	250.00	350,000,000	350.00
Addition during the year	-	-	-	-	-	-
<b>As at March 31, 2021</b>	411,000,000	822.00	2,500,000	250.00	350,000,000	350.00
Addition during the year	-	-	-	-	-	-
<b>As at March 31, 2022</b>	411,000,000	822.00	2,500,000	250.00	350,000,000	350.00

**b) Movement in Equity Share Capital**

Subscribed and paid up share capital	Equity Shares	
	Number of Shares	Amount
<b>As at April 1, 2020*</b>	141,508,401	283.03
Issued during the year (Refer note 25)	836,583	1.67
<b>As at March 31, 2021</b>	142,344,984	284.70
Issued during the year (Refer note 25)	1,397,263	2.79
Shares extinguished on buyback #	(9,875,000)	(19.75)
<b>As at March 31, 2022</b>	133,867,247	267.74

\* Paid up capital includes Rs. 0.01 Million originally paid up towards 6,000 forfeited shares.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

#During the year, the Holding Company has concluded the buyback of 9,875,000 equity shares at a price of Rs. 240 per equity share ("Buyback") as approved earlier by the Board of Directors on December 24, 2020. Buyback was completed on May 7, 2021 and the equity shares bought back were extinguished on May 11, 2021. Total outflow of Rs. 2,370 Million has been utilised from the share capital, securities premium account and retained earnings, in line with the requirement under the Companies Act 2013. Further tax on Buyback and Buyback related expenses amounting to Rs. 552.12 Million and Rs. 15.12 Million (Previous year : Rs. 16.57 Million) respectively have also been utilised from retained earnings. Additionally, Capital Redemption Reserve of Rs. 19.75 Million (equivalent to nominal value of the equity shares bought back) has been created out of retained earnings, in line with the requirement under the Companies Act 2013. Consequent to extinguishment of shares so bought back, the paid-up equity share capital has been reduced by Rs. 19.75 Million (Refer note 12).

## 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 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	March 31, 2022		March 31, 2021	
	No. of shares	% of holding	No. of shares	% of holding
Rajendra Singh Pawar as Trustee of Pawar Family Trust	22,445,644	16.77%	23,280,989	16.36%
Vijay Kumar Thadani as Trustee of Thadani Family Trust	22,994,229	17.18%	23,830,065	16.74%
Nippon Life India Trustee Ltd - A/c Nippon India Small Cap Fund	10,139,961	7.57%	10,130,712	7.12%
Massachusetts Institute of Technology	7,714,530	5.76%	8,820,000	6.20%
<b>Total</b>	<b>63,294,364</b>	<b>47.28%</b>	<b>66,061,766</b>	<b>46.42%</b>

## f) Other details of equity shares for a period of five years immediately preceding March 31, 2022

## Equity shares extinguished on buy-back

During the financial year 2019-20, the Company bought back 26,800,000 equity shares for an aggregate amount of Rs. 3,350 Million (excluding taxes, fees and expenses) at a price of Rs. 125 per equity share. The equity shares bought back were extinguished on December 23, 2019.

## Details of shares held by Promoter and Promoter Group

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
<b>Promoters</b>					
Rajendra Singh Pawar	155,000	-	155,000	0.12%	0.00%
Vijay Kumar Thadani	155,000	-	155,000	0.12%	0.00%
<b>Promoter Group</b>					
Rajendra Singh Pawar as Trustee of Pawar Family Trust	23,280,989	(835,345)	22,445,644	16.77%	-3.59%
Vijay Kumar Thadani as Trustee of Thadani Family Trust	23,830,065	(835,836)	22,994,229	17.18%	-3.51%
Arvind Thakur	606,508	(39,679)	566,829	0.42%	-6.54%
Neeti Pawar and Rajendra Singh Pawar	427,326	-	427,326	0.32%	0.00%
Urvashi Pawar	56,250	-	56,250	0.04%	0.00%
Unnati Pawar	56,242	-	56,242	0.04%	0.00%
Udai Pawar	7,500	-	7,500	0.01%	0.00%

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

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
R S Pawar HUF	2,527	-	2,527	0.00%	0.00%
V K Thadani HUF	2,527	-	2,527	0.00%	0.00%
Renu Kanwar and Vandana Katoch	2,339	-	2,339	0.00%	0.00%
Santosh Dogra	1,687	-	1,687	0.00%	0.00%
Renuka Vijay Thadani and Vijay Kumar Thadani	1,000	-	1,000	0.00%	0.00%
Kailash K Singh and Yogesh Singh	750	-	750	0.00%	0.00%
Janki Jamwal and Neeti Pawar	652	-	652	0.00%	0.00%
Janki Jamwal and Pramod Singh Jamwal	562	-	562	0.00%	0.00%
Janki Jamwal and Keerti Katoch	562	-	562	0.00%	0.00%
Rasina Uberoi	15,464	-	15,464	0.01%	0.00%
Rubika Vinod Chablani*	1,687	-	1,687	0.00%	0.00%

\*Mr.Vinod Chablani passed away on November 12, 2021 and shares were transmitted in the name of Second shareholder i.e. Rubika Vinod Chablani on January 7, 2022.

## As at March 31, 2021

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
<b>Promoters</b>					
Rajendra Singh Pawar	155,000	-	155,000	0.11%	0.00%
Vijay Kumar Thadani	155,000	-	155,000	0.11%	0.00%
<b>Promoter Group</b>					
Rajendra Singh Pawar as Trustee of Pawar Family Trust	23,280,989	-	23,280,989	16.36%	0.00%
Vijay Kumar Thadani as Trustee of Thadani Family Trust	23,830,065	-	23,830,065	16.74%	0.00%
Arvind Thakur	606,508	-	606,508	0.43%	0.00%
Neeti Pawar and Rajendra Singh Pawar	427,326	-	427,326	0.30%	0.00%
Urvashi Pawar	56,250	-	56,250	0.04%	0.00%
Unnati Pawar	56,242	-	56,242	0.04%	0.00%
Udai Pawar	7,500	-	7,500	0.01%	0.00%
R S Pawar HUF	2,527	-	2,527	0.00%	0.00%
V K Thadani HUF	2,527	-	2,527	0.00%	0.00%
Renu Kanwar and Vandana Katoch	2,339	-	2,339	0.00%	0.00%
Santosh Dogra	1,687	-	1,687	0.00%	0.00%
Renuka Vijay Thadani and Vijay Kumar Thadani	1,000	-	1,000	0.00%	0.00%
Kailash K Singh and Yogesh Singh	750	-	750	0.00%	0.00%
Janki Jamwal and Neeti Pawar	652	-	652	0.00%	0.00%
Janki Jamwal and Pramod Singh Jamwal	562	-	562	0.00%	0.00%
Janki Jamwal and Keerti Katoch	562	-	562	0.00%	0.00%
Rasina Uberoi	15,464	-	15,464	0.01%	0.00%
Vinod Chablani and Rubika Vinod Chablani	1,687	-	1,687	0.00%	0.00%

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

12 Other equity	Particulars	As at	
		March 31, 2022	March 31, 2021
	<b>Reserves and Surplus [refer note 12(i)]</b>		
	Capital Reserve	5,174.73	5,174.73
	Securities Premium	252.54	171.59
	Employees Stock Option Outstanding	264.28	150.90
	General Reserve	34.62	46.34
	Retained Earnings	8,660.52	10,163.57
	Capital Redemption Reserve	73.35	53.60
		<b>14,460.04</b>	<b>15,760.73</b>
	<b>Other Reserves [refer note 12(ii)]</b>		
	Hedging Reserve Account	8.29	9.61
	Foreign Currency Translation Reserve	416.67	349.19
		<b>424.96</b>	<b>358.80</b>
	<b>Total other equity</b>	<b>14,885.00</b>	<b>16,119.53</b>

12(i) Reserves and surplus	Particulars	As at	
		March 31, 2022	March 31, 2021
a)	<b>Capital Reserve (refer footnote i)</b>		
	Opening Balance	5,174.73	5,174.73
	Add: Increase / (decrease) during the year	-	-
		<b>5,174.73</b>	<b>5,174.73</b>
b)	<b>Securities Premium (refer footnote ii)</b>		
	Opening Balance	171.59	104.41
	Utilization against buyback of shares [Refer note 11(b)]	(67.18)	-
	Additions during the year on account of exercise of ESOP's	105.72	48.77
	Transferred from securities premium on ESOP exercised	42.41	18.41
		<b>252.54</b>	<b>171.59</b>
c)	<b>Employees Stock Option Outstanding</b>		
	Opening Balance	150.90	134.60
	Add/ (Less) :		
	Transferred to Retained earnings [Refer footnote (v)]	(2.36)	(5.98)
	Transferred to securities premium on exercise of ESOP	(42.41)	(18.41)
	Share Based Payments (Refer note 25)	158.15	40.69
		<b>264.28</b>	<b>150.90</b>
d)	<b>General Reserve (Refer footnote iii)</b>		
	Opening Balance	46.34	46.34
	Add/ (Less) :		
	Transferred to Retained Earnings	(11.72)	-
		<b>34.62</b>	<b>46.34</b>
e)	<b>Retained Earnings</b>		
	Opening Balance	10,163.57	9,060.86
	Current year profit attributable to Shareholders	2,261.96	1,430.24
	<b>Less: Appropriations</b>		
	Dividend [refer note 31]	(734.39)	(283.33)
	Other Comprehensive Loss	(49.97)	(33.61)
	Utilization against buyback of shares [Refer note 11(b)]	(2,283.07)	-
	Transferred to Capital Redemption Reserve [Refer note 11(b)]	(19.75)	-
	Transferred from ESOP Reserve	2.36	5.98
	Transferred from General Reserve	11.72	-
	Buyback expenses (net of tax) including tax on buyback	(564.64)	(16.57)
	Fair valuation impact on Future Acquisition Liability (Refer note 39)	(127.27)	-
		<b>8,660.52</b>	<b>10,163.57</b>
f)	<b>Capital Redemption Reserve (refer footnote iv)</b>		
	Opening Balance	53.60	53.60
	Add : Transferred from Retained Earnings [Refer note 11(b)]	19.75	-
		<b>73.35</b>	<b>53.60</b>
	<b>Total Reserves and Surplus</b>	<b>14,460.04</b>	<b>15,760.73</b>

**Footnote:**

- (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) General Reserve represents requirement to transfer specific sum to General Reserve as per the local laws of the jurisdiction.
- (iv) As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or security premium. A sum equal to the nominal value of shares so purchased is transferred to capital redemption reserve. The reserve can be utilised in accordance with the provisions of Section 69 of Companies Act, 2013.
- (v) The Group has transferred employee stock option outstanding of Rs. 2.36 Million (Previous year Rs.5.98 Million) to retained earnings on account of lapse of vested options.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

	As at			
	March 31, 2022		March 31, 2021	
12(ii) Other reserves				
a) Hedging Reserve Account (Cash flow Hedge) [refer footnote i]				
Opening Balance	9.61		(25.96)	
Impact of restatement of derivative on Term Loan	4.05		14.47	
Impact of restatement of interest	(0.14)		(0.26)	
Movement in Derivative Instrument Fair Value Asset/ (Liability)	(3.77)		(10.34)	
Impact of restatement of derivative on Receivables	(1.46)	8.29	31.70	9.61
b) Foreign Currency Translation Reserve (refer footnote ii)				
Opening Balance	349.19		375.93	
Add : Increase/(Decrease) during the year on translation of balances	67.48	416.67	(26.74)	349.19
<b>Total Other Reserves</b>		<b>424.96</b>		<b>358.80</b>

**Footnote :**

- (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.

**13 Financial liabilities**

	As at			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
(i) Borrowings				
	Non-Current		Current Maturities	
A) Secured				
Term Loans from Banks:				
Foreign Currency Term Loans#	-	46.45	48.52	163.14
<b>Sub Total (A)</b>	<b>-</b>	<b>46.45</b>	<b>48.52</b>	<b>163.14</b>
B) Unsecured				
Deferred payment liabilities	5.31	30.70	36.71	39.36
<b>Sub Total (B)</b>	<b>5.31</b>	<b>30.70</b>	<b>36.71</b>	<b>39.36</b>
<b>Total (A+B)</b>	<b>5.31</b>	<b>77.15</b>	<b>85.23</b>	<b>202.50</b>

**#Details of interest rate security given against Loans**

- i) The Holding Company had availed foreign currency loan of USD 2.89 Million equivalent to Rs. 200 Million which was fully hedged by converting it from the floating rate in USD 3 Month LIBOR with spread of 135 bps into fixed rate Rupee loan through a currency swap at a spot reference (USD INR) exchange rate of USD 1 = INR 68.98, through full maturity of the loan. The said loan was secured by way of whole of the Company's tangible and intangible, moveable fixed assets, both present and future, land and building of the Company at Sector-34, Gurugram. The rate of interest on fully hedged equivalent loan amount was fixed at 9.25% p.a. for the tenure of the loan. During the year the Holding Company had repaid foreign currency term loan amounting to USD 0.96 Million equivalent to Rs. 66.67 Million (Amount Outstanding at March 31, 2022 is Nil).
- ii) ICICI Bank Canada has sanctioned a Term loan facility for CAD 4.00 Million & Revolving credit facility of CAD 1.00 Million at floating rate of 3 Month CDOR with spread of 100 bps through full maturity of the loan to NIIT Learning Solutions (Canada) Limited, first level step down subsidiary of NIIT Limited. The said credit facility's 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, 2022 for Term Loan is CAD 0.80 Million (Previous year CAD 2.40 Million) and Revolving credit facility is Nil.
- In addition, ICICI Bank Canada has sanctioned Letter of Credit Facility of CAD 3.00 Million to NIIT Learning Solutions (Canada) Limited, current outstanding is Nil (Previous year Nil)

**Terms of repayment**

Term Loan for CAD 4.00 Million (Outstanding as at March 31, 2022 CAD 0.80 Million, Previous year : CAD 2.40 Million ) is repayable as follows:

Repayment Dates	% of Term loan facility
September 30, 2022	10%
June 30, 2022	10%
March 31, 2022	10%
December 31, 2021	10%
September 30, 2021	10%
June 30, 2021	10%

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

13(ii) Trade payables	As at	
	March 31, 2022	March 31, 2021
	Current	
Trade payables*	1,251.37	911.22
	<b>1,251.37</b>	<b>911.22</b>

\*Includes dues of micro enterprises and small enterprises amounting to Rs. 33.56 Million (Previous year Rs. 8.13 Million).  
Trade payables are non-interest bearing and are normally settled on 45 day terms.

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	33.56	-	-	-	-	33.56
Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	166.43	140.89	10.41	0.81	46.14	364.68
<b>Sub Total</b>	<b>199.99</b>	<b>140.89</b>	<b>10.41</b>	<b>0.81</b>	<b>46.14</b>	<b>398.24</b>
Unbilled dues						853.13
<b>Total</b>						<b>1,251.37</b>

Ageing of trade payables as at March 31, 2021

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	7.99	0.14	-	-	-	8.13
Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	30.34	157.12	5.89	2.16	46.10	241.61
<b>Sub Total</b>	<b>38.33</b>	<b>157.26</b>	<b>5.89</b>	<b>2.16</b>	<b>46.10</b>	<b>249.74</b>
Unbilled dues						661.48
<b>Total</b>						<b>911.22</b>

13(iii) Other financial liabilities	As at			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non-current		Current	
Interest accrued but not due on borrowings	-	-	0.03	0.50
Unpaid dividends *	-	-	10.43	10.86
Security Deposits	0.52	0.52	-	-
Future Acquisition Liability (Refer note 39)	182.46	-	329.48	-
Other Payables **	-	-	1,729.73	1,742.19
	<b>182.98</b>	<b>0.52</b>	<b>2,069.67</b>	<b>1,753.55</b>

\* There are no amounts due for transfer to the Investor Protection Fund as at the year end.

\*\* Includes capital creditors, payable to employees and payable on account of Strategic sourcing.

14 Provisions	As at	
	March 31, 2022	March 31, 2021
	Current	
Provision for Employee Benefits :		
-Provision for Gratuity (Refer note 24)	187.31	211.91
-Provision for Compensated Absences	186.26	156.31
Provision for indirect tax under litigation	44.57	44.57
	<b>418.14</b>	<b>412.79</b>

The Movement of provision towards indirect tax litigation is as below:-

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening balance	44.57	49.60
Written back during the year	-	(5.03)
<b>Closing Balance</b>	<b>44.57</b>	<b>44.57</b>

**Notes to the Consolidated Financial Statements for the year ended March 31, 2022** Contd..  
(Amount in Rs. Millions, unless otherwise stated)

15 Other liabilities	As at			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non-current		Current	
<b>Contract Liabilities (Refer note 16.1)</b>				
Deferred Revenue	0.79	1.17	801.52	719.06
Advances from Customers	-	-	350.89	227.45
Payable to Government Authorities (net)	-	-	112.68	89.76
Statutory Dues*	-	-	225.60	221.44
	<b>0.79</b>	<b>1.17</b>	<b>1,490.69</b>	<b>1,257.71</b>

\*Statutory dues mainly includes withholding taxes and contribution to provident fund etc.

16 Revenue from operations	Year ended	
	March 31, 2022	March 31, 2021
Sale of products : Courseware	72.25	90.08
Sale of Services	13,722.08	9,521.02
Less : Discounts & Rebates	(19.52)	(14.32)
	<b>13,774.81</b>	<b>9,596.78</b>

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	72.25	90.08
Sale of Services	13,702.56	9,506.70
	<b>13,774.81</b>	<b>9,596.78</b>

Timing of revenue recognition

Goods (Courseware, Training Material) transferred at a point in time	72.25	90.08
Services transferred over time	13,702.56	9,506.70
	<b>13,774.81</b>	<b>9,596.78</b>

b. Contract Balances

Trade Receivables [refer note 7(ii)]	1,886.18	1,456.15
Contract Assets [refer note 7(iii)]	990.51	776.83
Contract Liabilities (refer note 15)	(1,153.20)	(947.68)

Trade receivables are non-interest bearing and are generally on terms of 30 - 90 days. A sum of Rs. (11.41) Million (Previous year Rs. 31.64 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. 43.28 Million (Previous year Rs. 19.87 Million) is recognised as provision for expected credit losses on unbilled revenue during the year.

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 consolidated statement of profit and loss with the contracted price

	Year ended	
	March 31, 2022	March 31, 2021
Revenue as per contracted price	13,794.33	9,611.10
<b>Adjustments</b>		
Discount	(19.52)	(14.32)
	<b>13,774.81</b>	<b>9,596.78</b>

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, 2022, 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, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

17 Other income	Year ended	
	March 31, 2022	March 31, 2021
Interest Income		
- Deposits with Banks & others	182.68	337.36
- Unwinding of Interest on Security Deposit	1.01	1.86
- Others	17.60	34.39
Net gain on Investment carried at fair value through profit and loss	260.15	468.70
Provision / Other Liabilities written back	2.06	1.11
Gain on Disposal of Property, Plant and Equipment and Intangible assets (net)	0.67	11.62
Gain on Termination of Lease Assets (net)	12.00	3.42
Gain on foreign currency translation and transaction (Net)	12.23	3.38
Rent concession	1.43	-
Provision for Doubtful debts written back	11.50	-
Other non-operating income	15.78	40.41
	<b>517.11</b>	<b>902.25</b>

18 Employee benefits expenses#	Year ended	
	March 31, 2022	March 31, 2021
Salary, Wages and Bonus	6,261.50	5,054.13
Contribution to Provident and Other Funds* (refer note 24)	391.71	274.07
Share Based Payments (refer note 25)	158.13	40.56
Staff Welfare Expenses	96.78	52.17
	<b>6,908.12</b>	<b>5,420.93</b>

# Net of Rs. 64.02 Million (Previous year Rs. 87.72 Million) capitalised in intangible assets [refer note 5(i)].

\*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, 2022	March 31, 2021
Interest Expense	6.28	30.67
Interest on Lease Liabilities [refer note 6(ii)]	14.15	28.88
Other Borrowing Costs	0.27	0.24
	<b>20.70</b>	<b>59.79</b>

20 Other expenses*	Year ended	
	March 31, 2022	March 31, 2021
Equipment Hiring [refer note 6(i)]	70.73	40.38
Software Subscriptions	54.01	-
Royalties	82.95	4.28
Freight and Cartage	6.50	9.01
Rent [refer note 6(i)]	48.73	53.69
Rates and Taxes	24.26	12.11
Power & Fuel	24.79	28.42
Communication	66.78	75.19
Legal and Professional	361.35	273.87
Travelling and Conveyance	53.82	29.27
Allowance/ Write off of Doubtful Debts [refer note 27 (A)]	0.09	28.19
Allowance for Doubtful Advances	-	2.23
Allowance for Doubtful Unbilled Revenue [refer note 27 (A)]	-	4.67
Insurance	36.15	25.35
Repairs and Maintenance		
- Plant and Machinery	17.11	21.18
- Buildings	5.74	2.19
- Others	22.90	31.56
Consumables	25.44	41.09
Security and Administration Services	11.68	16.77
Bank Charges	28.69	27.23
Marketing & Advertising Expenses	425.41	153.06
Sales Commission	2.83	3.61
Donation	-	10.20
Expenditure towards Corporate Social Responsibility (CSR) activities (refer note 21)	5.80	3.10
Subscription and Membership	55.94	37.63
Sundry Expenses	19.30	18.89
	<b>1,451.00</b>	<b>953.17</b>

\* Net of Rs. 7.74 Million (Previous year Rs. 3.45 Million) capitalised in intangible assets (refer note 5(i)).



**Notes to the Consolidated Financial Statements for the year ended March 31, 2022** Contd..  
 (Amount in Rs. Millions, unless otherwise stated)

	Year ended	
	March 31, 2022	March 31, 2021
<b>21 Corporate social responsibility expenditure</b>		
a) Gross amount required to be spent by the Company during the year	5.60	3.03
b) Amount approved by the board to be spent during the year	5.80	3.10
c) Amount spent during the year:		
-Construction/acquisition of any asset	-	-
-On purposes other than above	5.80	3.10
d) Details of related party transactions in relation to CSR expenditure		
-Contribution to NIIT Institute of Information Technology	5.70	3.03
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 2021-22 & 2020-21)	

	Year ended	
	March 31, 2022	March 31, 2021
<b>22 Exceptional items</b>		
<b>Income</b>		
Gain on termination of leases (refer footnote i)	-	25.42
Lease discount received (refer footnote ii)	-	9.07
Reversal of Provision for amount receivable towards sale of investment in subsidiary (refer note iii)	-	1.36
<b>Expenses</b>		
Compensation to vendors (refer footnote i)	-	(9.00)
Expenses against committed contracts and other related expenses (refer footnote i)	-	(28.77)
Provision for compensated absences due to change in law pursuant to COVID-19 (refer footnote iv)	-	(7.03)
Legal and professional cost towards acquisition (refer note 39)	(9.51)	-
Legal and professional cost towards scheme of arrangement (refer note 41(viii))	(19.79)	-
Expenses relating to issue of shares by subsidiary (refer note v)	-	(3.60)
Provision for doubtful recoverable in Government project (refer footnote vi)	-	(3.45)
Provision for amortisation of intangible assets (refer footnote vi)	-	(23.36)
Provision for Inventory (refer footnote vi)	-	(14.95)
	<b>(29.30)</b>	<b>(54.31)</b>

**Footnote :**

- (i) During the previous year, the Group continued to accelerate transition from face to face learning to Digital in its Skills & Careers business. Based on student choices in the changed environment and considering viability of company operated education centres, the Company had decided to vacate some of its leased premises in India. Accordingly, net carrying amount of right of use assets, lease liabilities and security deposit in respect of such leased premises amounting to Rs. 25.42 Million had been reversed as exceptional income and the Company had also incurred additional expenses amounting to Rs. 28.77 Million for committed contracts, other related expenses and compensation to vendors amounting to Rs. 9.00 Million recognised as exceptional expenses.
- (ii) During the previous year, the Company had availed rent concessions of Rs. 9.07 Million from lessors on account of COVID-19 and recorded the same as exceptional income in the statement of profit and loss consequent to amendment in Ind AS 116 "Leases".
- (iii) In the financial year 2018-19, the Group had made a provision for amount receivable towards sale of investment in subsidiary amounting to Rs. 6.99 Million. During the previous year an amount of Rs. 1.36 Million has been reversed on account of realization of receivable from the buyer.
- (iv) During the previous year, the Group had created provision for compensated absences amounting to Rs. 7.03 Million due to change in law pursuant to COVID-19.
- (v) Expenses on issue of share capital by a wholly owned subsidiary, NIIT Learning Systems Limited (NLSL) [Formerly known as Mindchampion Learning Systems Limited].
- (vi) During the previous year, the Group had 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 in NLSL.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

23 Tax expense	Year ended	
	March 31, 2022	March 31, 2021
<b>Particulars</b>		
<b>Current tax</b>		
Current tax on profits for the year	608.82	223.54
Adjustments for tax relating to earlier years	16.19	(52.83)
Foreign tax paid for branches (FTC)	(3.66)	44.25
<b>Total current tax</b>	<b>621.35</b>	<b>214.96</b>
<b>Deferred tax</b>		
(Increase) / Decrease in deferred tax assets	(103.76)	121.76
<b>Total deferred tax (credit) / charge</b>	<b>(103.76)</b>	<b>121.76</b>
<b>Total tax expense</b>	<b>517.59</b>	<b>336.72</b>

## (b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

	Year ended	
	March 31, 2022	March 31, 2021
Profit before tax	2,855.31	1,804.61
<b>Tax at the Indian tax rate of 25.17% for FY 2021-22 and 25.17% for FY 2020-21</b>	<b>718.68</b>	<b>454.22</b>
<b>Adjustments for:</b>		
Expenditure towards CSR to the extent disallowable	1.43	0.78
Tax impact of Deferred Tax not recognised on account of prudence	(33.51)	(129.09)
Taxes relating to earlier years	16.19	(52.83)
Tax provision (reversal) / expense in Foreign Territories to the extent not allowed to be set off	(3.66)	44.25
Withholding taxes on dividend repatriation not available to be set off	41.47	-
Tax impact of change in profits due to restructuring	-	(7.87)
Tax impact on account of adjustment of brought forward business loss & unabsorbed depreciation	-	19.65
Reversal of Deferred Tax Liability on Mark to Market Gains	(20.37)	-
Deferred Tax on Long Term Capital Loss (Cancellation of Investment in Subsidiary) [Refer note 8 (i)]	(179.51)	-
Tax Impact of difference in Tax rates on account of Section 80M deduction	(26.52)	-
Effect due to difference in tax rates	3.33	8.95
Tax Impact of other adjustments	0.06	(1.34)
<b>Income tax expense</b>	<b>517.59</b>	<b>336.72</b>

## 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:-

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Employers' Contribution to Provident Fund & Other Fund	103.16	90.97
Employers' Contribution to Superannuation Fund	18.44	13.27
Employers' Contribution to Employees Pension Scheme	168.22	92.51
Employers' Contribution to Employee National Pension System	2.95	1.91
<b>Total</b>	<b>292.77</b>	<b>198.66</b>

The Group has charged the following costs in Contribution to Other Funds in the Consolidated Statement of Profit and Loss for Key Management Personnel:

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Employers' Contribution to Provident Fund	3.12	1.10
Employers' Contribution to Superannuation Fund	2.28	0.45
Employers' Contribution to Employees Pension Scheme	0.03	0.04
<b>Total</b>	<b>5.43</b>	<b>1.59</b>

**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. 55.26 Million (Previous year Rs. 40.11 Million) including Rs. 3.12 Million (Previous year Rs. 1.10 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, 2022.

The details of fund and plan assets of the Trust as at March 31, 2022 (limited to the extent provided by the actuary):

**(i) Change in Defined Benefit Obligation**

Particulars	As at	
	March 31, 2022	March 31, 2021
Present Value of Defined Benefit Obligation as at the beginning of the year	1,449.64	1,237.95
Current service cost	54.45	39.71
Acquisition cost	53.52	21.39
Interest Cost	92.25	80.97
Benefit paid	(151.33)	(107.76)
Employee Contribution	95.99	77.17
Actuarial loss on Obligations	1.54	100.21
<b>Present Value of Defined Benefit Obligation as at the year end</b>	<b>1,596.06</b>	<b>1,449.64</b>

**(ii) Change in Fair Value of Assets**

Particulars	As at	
	March 31, 2022	March 31, 2021
Fair value of Plan Assets as at the beginning of the year	1,665.19	1,639.88
Benefit paid	(151.33)	(107.76)
Employee Contribution	95.99	77.17
Acquisition Adjustment	53.52	21.39
Interest Income on Plan Assets	92.25	80.97
Return on plan assets greater/(lesser) than discount rate	6.66	(86.17)
Employers' Contribution	54.45	39.71
<b>Fair value of Plan Assets as at the year end</b>	<b>1,816.73</b>	<b>1,665.19</b>

**(iii) Estimated Net Asset/ (Liability) recognised in the Balance Sheet :**

Particulars	As at	
	March 31, 2022	March 31, 2021
Present value of Defined Benefit Obligation	1,596.06	1,449.64
Fair Value of Plan Assets	1,816.73	1,665.19
Funded Status [Surplus/(Deficit)] with the trust	220.67	215.55
<b>Net Asset/(Liability) recognised in the Balance Sheet</b>	<b>-</b>	<b>-</b>

**(iv) Assumptions used in accounting for provident Fund:-**

Particulars	As at	
	March 31, 2022	March 31, 2021
Discount Rate (Per Annum)	6.75%	6.25%
EPFO Rate	8.10%	8.50%
Expected return of exempt fund	7.50%	7.60%

**v) Investment details of Plan Assets:-**

Particulars	As at	
	March 31, 2022	March 31, 2021
Government Securities	60.81%	52.54%
Debt Instruments	32.50%	40.01%
Equities	1.06%	0.94%
Short term Debt Instruments	5.63%	6.51%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

II. Gratuity Fund - Funded / Non Funded

A. Gratuity Non Funded

Particulars	Year ended	
	March 31, 2022	March 31, 2021
<b>i) Change in Present value of Obligation:-</b>		
Present value of obligation as on the date of acquisition (refer note 39)	13.17	-
Interest cost	0.24	-
Current service cost	0.91	-
Benefits paid	(2.21)	-
Actuarial (gain)/ loss on obligations		
Actuarial (gain)/ loss on financial assumption	(0.50)	-
<b>Present value of obligation as at the year end</b>	<b>11.61</b>	<b>-</b>

B. Gratuity Funded

Particulars	Year ended	
	March 31, 2022	March 31, 2021
<b>i) Change in Present value of Obligation:-</b>		
Present value of obligation as at beginning of the year	280.69	212.62
Interest cost	16.67	13.21
Current service cost	33.82	26.73
Benefits paid	(28.01)	(18.66)
Actuarial (gain)/ loss on obligations		
Actuarial (gain)/ loss on experience	7.60	25.30
Actuarial (gain)/ loss on financial assumption	57.23	21.49
<b>Present value of obligation as at the year end</b>	<b>368.00</b>	<b>280.69</b>

ii) Change in fair value of plan assets:-

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Fair value of Plan Assets as at the beginning of the year	68.78	77.21
Expected return on Plan Assets	8.00	4.59
Contributions	146.12	5.70
Benefits Paid	(28.01)	(18.66)
Return on plan assets greater / (lesser) than discount rate	(2.59)	(0.06)
<b>Fair value of Plan Assets as at the year end</b>	<b>192.30</b>	<b>68.78</b>

Estimated contributions for the year ended on March 31, 2023 is Rs. 187.31 Million (Previous year Rs. 211.91 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, 2022	192.30	379.61	(187.31)
As at March 31, 2021	68.78	280.69	(211.91)

iv) Net Gratuity Cost recognised in Consolidated Statement of Profit and Loss:-

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Current service cost	34.73	26.73
Net interest on net defined benefit liability / (asset)	8.91	8.62
<b>Expense recognised in Consolidated Statement of Profit and Loss* (under contribution to provident and other funds)</b>	<b>43.64</b>	<b>35.35</b>

\* Includes Rs. 0.04 Million (Previous year Rs. 0.05 Million) recognised in consolidated statement of profit and loss from discontinued operations.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

v) **Gratuity Cost recognised through Other Comprehensive Income:-**

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Actuarial (gain)/ loss - experience	7.60	25.30
Actuarial (gain)/ loss - financial assumptions	56.73	21.49
Return on plan assets (greater) / less than discount rate	2.59	0.06
<b>Expense recognised through other comprehensive income</b>	<b>66.92</b>	<b>46.85</b>

vi) **Assumptions used in accounting for gratuity plan:-**

Particulars	March 31, 2022	March 31, 2021
<b>Discount Rate (Per Annum)</b>		
RPS Consulting Private Limited (RPS)	6.67%	-
Entities other than RPS	6.75%	6.25%
<b>Future Salary Increase</b>		
RPS	8.00%	-
Entities other than RPS	16% for next two years and 10% thereafter	12% for next two years and 8% thereafter
<b>Expected Rate of return on plan assets</b>	<b>7.15%</b>	<b>7.05%</b>

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, 2022	March 31, 2022	March 31, 2022
Discount rate	0.50%	(14.43)	15.45
Salary growth rate	0.50%	14.53	(13.70)
Withdrawal rate	5.00%	(26.52)	26.99

Particulars	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%	(10.43)	11.14
Salary growth rate	0.50%	10.50	(9.92)
Withdrawal rate	5.00%	(12.04)	12.09

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.

**25 Share Based Payments**

**(a) Employee option plan**

During the year 2005-06, the Company 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.

**i) Summary of options granted under plan:**

Particulars	March 31, 2022		March 31, 2021	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	89.14	5,637,204	80.45	4,942,121
Granted during the year	289.49	3,260,000	100.94	1,755,000
Exercised during the year	77.66	1,397,263	60.30	836,583
Forfeited/lapsed during the year	92.32	311,047	97.55	223,334
<b>Closing balance</b>	<b>182.09</b>	<b>7,188,894</b>	<b>89.14</b>	<b>5,637,204</b>
<b>Vested and exercisable</b>		<b>2,778,894</b>		<b>3,180,496</b>

**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, 2022	March 31, 2021
Grant 9	Vest I	21-May-14	21-May-15	21-May-20	35.40	-	-
	Vest II	21-May-14	21-May-16	21-May-21	35.40	-	83,300
	Vest III	21-May-14	21-May-17	21-May-22	35.40	-	123,400
Grant 10	Vest I	28-Aug-14	28-Aug-15	28-Aug-20	49.75	-	-
	Vest II	28-Aug-14	28-Aug-16	28-Aug-21	49.75	-	-
	Vest III	28-Aug-14	28-Aug-17	28-Aug-22	49.75	2	20,002
Grant 12	Vest I	24-Jun-15	24-Jun-16	24-Jun-21	41.60	-	13,000
	Vest II	24-Jun-15	24-Jun-17	24-Jun-22	41.60	45,000	155,000
	Vest III	24-Jun-15	24-Jun-18	24-Jun-23	41.60	146,844	150,000
Grant 13	Vest I	17-Jul-15	17-Jul-16	17-Jul-21	52.15	-	26,664
	Vest II	17-Jul-15	17-Jul-17	17-Jul-22	52.15	33,336	75,334
	Vest III	17-Jul-15	17-Jul-18	17-Jul-23	52.15	66,684	135,022
Grant 16	Vest I	16-Jun-16	16-Jun-17	16-Jun-22	83.30	13,332	33,330
	Vest II	16-Jun-16	16-Jun-18	16-Jun-23	83.30	13,332	39,996
	Vest III	16-Jun-16	16-Jun-19	16-Jun-24	83.30	20,672	40,676
Grant 17	Vest I	05-Feb-17	05-Feb-18	05-Feb-23	73.60	6,666	6,666
	Vest II	05-Feb-17	05-Feb-19	05-Feb-24	73.60	6,666	6,666
	Vest III	05-Feb-17	05-Feb-20	05-Feb-25	73.60	13,336	24,336
Grant 18	Vest I	23-Jun-17	23-Jun-18	23-Jun-23	92.55	140,664	263,460
	Vest II	23-Jun-17	23-Jun-19	23-Jun-24	92.55	207,330	316,660
	Vest III	23-Jun-17	23-Jun-20	23-Jun-25	92.55	233,340	316,680
Grant 19	Vest I	27-Jul-17	27-Jul-18	27-Jul-23	88.85	93,333	93,333
	Vest II	27-Jul-17	27-Jul-19	27-Jul-24	88.85	93,333	93,333
	Vest III	27-Jul-17	27-Jul-20	27-Jul-25	88.85	93,334	93,334
Grant 20	Vest I	24-Oct-17	24-Oct-18	24-Oct-23	108.10	-	89,199
	Vest II	24-Oct-17	24-Oct-19	24-Oct-24	108.10	-	89,999
	Vest III	24-Oct-17	24-Oct-20	24-Oct-25	108.10	-	90,002
Grant 21	Vest I	25-Jun-18	25-Jun-19	25-Jun-24	96.15	120,000	145,000
	Vest II	25-Jun-18	25-Jun-20	25-Jun-25	96.15	140,000	165,000
	Vest III	25-Jun-18	25-Jun-21	25-Jun-26	96.15	140,000	165,000

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

Grant	Vests	Grant date	Vesting date	Expiry date	Exercise price	Share options outstanding	
						March 31, 2022	March 31, 2021
Grant 22	Vest I	19-Jul-18	19-Jul-19	19-Jul-24	89.65	82,324	117,754
	Vest II	19-Jul-18	19-Jul-20	19-Jul-25	89.65	100,000	166,650
	Vest III	19-Jul-18	19-Jul-21	19-Jul-26	89.65	154,366	206,708
Grant 23	Vest I	23-Jan-19	23-Jan-20	23-Jan-25	93.65	-	16,700
	Vest II	23-Jan-19	23-Jan-21	23-Jan-26	93.65	20,000	50,000
	Vest III	23-Jan-19	23-Jan-22	23-Jan-27	93.65	50,000	50,000
Grant 24	Vest I	16-Jul-19	16-Jul-20	16-Jul-25	99.00	140,000	140,000
	Vest II	16-Jul-19	16-Jul-21	16-Jul-26	99.00	140,000	140,000
	Vest III	16-Jul-19	16-Jul-22	16-Jul-27	99.00	140,000	140,000
Grant 25	Vest I	10-Jul-20	10-Jul-21	10-Jul-26	94.40	385,000	505,000
	Vest II	10-Jul-20	10-Jul-22	10-Jul-27	94.40	425,000	505,000
	Vest III	10-Jul-20	10-Jul-23	10-Jul-28	94.40	425,000	505,000
Grant 26	Vest I	28-Sep-20	28-Sep-21	28-Sep-26	127.65	55,000	55,000
	Vest II	28-Sep-20	28-Sep-22	28-Sep-27	127.65	55,000	55,000
	Vest III	28-Sep-20	28-Sep-23	28-Sep-28	127.65	55,000	55,000
Grant 27	Vest I	07-Dec-20	07-Dec-21	07-Dec-26	174.20	25,000	25,000
	Vest II	07-Dec-20	07-Dec-22	07-Dec-27	174.20	25,000	25,000
	Vest III	07-Dec-20	07-Dec-23	07-Dec-28	174.20	25,000	25,000
Grant 28	Vest I	03-Jun-21	03-Jun-22	03-Jun-27	187.85	50,000	-
	Vest II	03-Jun-21	03-Jun-23	03-Jun-28	187.85	50,000	-
	Vest III	03-Jun-21	03-Jun-24	03-Jun-29	187.85	50,000	-
Grant 29	Vest I	18-Jun-21	18-Jun-22	18-Jun-27	264.25	356,666	-
	Vest II	18-Jun-21	18-Jun-23	18-Jun-28	264.25	356,666	-
	Vest III	18-Jun-21	18-Jun-24	18-Jun-29	264.25	356,668	-
Grant 30	Vest I	23-Aug-21	23-Aug-22	23-Aug-27	310.20	680,000	-
	Vest II	23-Aug-21	23-Aug-23	23-Aug-28	310.20	680,000	-
	Vest III	23-Aug-21	23-Aug-24	23-Aug-29	310.20	680,000	-

## 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 9	Vest I	35.40	39.04%	3.50	8.68%	3.96%	10.66
	Vest II	35.40	37.65%	4.50	8.73%	3.96%	11.45
	Vest III	35.40	48.22%	5.50	8.78%	3.96%	14.35
Grant 10	Vest I	49.75	40.75%	3.50	8.78%	3.96%	15.50
	Vest II	49.75	39.51%	4.50	8.73%	3.96%	16.61
	Vest III	49.75	46.99%	5.50	8.70%	3.96%	19.78
Grant 12	Vest I	41.60	42.73%	3.50	7.95%	3.50%	13.45
	Vest II	41.60	41.13%	4.50	7.93%	3.50%	14.38
	Vest III	41.60	39.89%	5.50	7.92%	3.50%	15.07
Grant 13	Vest I	52.15	43.53%	3.50	7.79%	3.50%	17.01
	Vest II	52.15	41.89%	4.50	7.86%	3.50%	18.21
	Vest III	52.15	40.55%	5.50	7.90%	3.50%	19.08
Grant 16	Vest I	83.30	48.89%	3.50	7.52%	3.01%	30.30
	Vest II	83.30	45.98%	4.50	7.52%	3.01%	31.88
	Vest III	83.30	44.05%	5.50	7.52%	3.01%	33.17
Grant 17	Vest I	73.60	48.75%	3.50	6.41%	3.01%	25.87
	Vest II	73.60	45.93%	4.50	6.41%	3.01%	27.13
	Vest III	73.60	44.36%	5.50	6.41%	3.01%	28.29
Grant 18	Vest I	92.55	47.76%	3.50	6.45%	2.35%	33.47
	Vest II	92.55	46.09%	4.50	6.45%	2.35%	36.08
	Vest III	92.55	43.93%	5.50	6.45%	2.35%	37.61

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

Grant	Vests	Market price	Volatility	Average life of the option	Risk less interest rate	Dividend yield rate	Fair value
Grant 19	Vest I	88.85	47.64%	3.50	6.45%	2.35%	32.06
	Vest II	88.85	45.78%	4.50	6.45%	2.35%	34.46
	Vest III	88.85	43.85%	5.50	6.45%	2.35%	35.05
Grant 20	Vest I	108.10	47.45%	3.50	6.80%	2.35%	39.30
	Vest II	108.10	46.90%	4.50	6.80%	2.35%	43.14
	Vest III	108.10	44.66%	5.50	6.80%	2.35%	44.96
Grant 21	Vest I	96.15	44.86%	3.50	7.80%	1.43%	36.79
	Vest II	96.15	47.55%	4.50	7.80%	1.43%	42.81
	Vest III	96.15	46.15%	5.50	7.80%	1.43%	45.76
Grant 22	Vest I	89.65	45.06%	3.50	7.77%	1.43%	34.37
	Vest II	89.65	47.63%	4.50	7.77%	1.43%	39.92
	Vest III	89.65	46.30%	5.50	7.77%	1.43%	42.71
Grant 23	Vest I	93.65	43.80%	3.50	7.53%	1.43%	34.98
	Vest II	93.65	45.29%	4.50	7.53%	1.43%	40.12
	Vest III	93.65	46.75%	5.50	7.53%	1.43%	44.53
Grant 24	Vest I	99.00	42.39%	3.50	6.53%	1.10%	35.79
	Vest II	99.00	44.87%	4.50	6.53%	1.10%	41.88
	Vest III	99.00	47.04%	5.50	6.53%	1.10%	47.12
Grant 25	Vest I	94.40	43.86%	3.50	5.82%	2.67%	30.65
	Vest II	94.40	42.96%	4.50	5.82%	2.67%	33.31
	Vest III	94.40	44.66%	5.50	5.82%	2.67%	36.83
Grant 26	Vest I	127.65	45.58%	3.50	6.00%	3.07%	41.84
	Vest II	127.65	43.43%	4.50	6.00%	3.07%	44.24
	Vest III	127.65	45.53%	5.50	6.00%	3.07%	49.02
Grant 27	Vest I	174.20	46.55%	3.50	5.92%	3.07%	57.92
	Vest II	174.20	44.09%	4.50	5.92%	3.07%	60.91
	Vest III	174.20	45.80%	5.50	5.92%	3.07%	66.99
Grant 28	Vest I	187.85	46.77%	3.50	6.01%	3.15%	62.53
	Vest II	187.85	45.32%	4.50	6.01%	3.15%	66.86
	Vest III	187.85	44.62%	5.50	6.01%	3.15%	70.55
Grant 29	Vest I	264.25	48.34%	3.50	6.01%	3.15%	90.34
	Vest II	264.25	46.57%	4.50	6.01%	3.15%	96.06
	Vest III	264.25	45.60%	5.50	6.01%	3.15%	100.87
Grant 30	Vest I	310.20	48.68%	3.50	6.23%	3.52%	104.83
	Vest II	310.20	47.25%	4.50	6.23%	3.52%	111.63
	Vest III	310.20	45.32%	5.50	6.23%	3.52%	114.89

## (b) Expense arising from share-based payment transactions

Particulars	March 31, 2022	March 31, 2021
Expenses charged to Consolidated Statement of Profit and Loss during the year based on fair value of options*	158.13	40.56

\*Excluding share based payment charged in discontinued operations in Consolidated Statement of Profit and Loss Rs 0.02 Million (Previous year Rs. 0.13 Million).



**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**

Particulars	March 31, 2022				March 31, 2021			
	FVTPL Level 1	FVTPL Level 2	FVOCI Level 2	Amortised cost	FVTPL Level 1	FVTPL Level 2	FVOCI Level 2	Amortised cost
<b>Financial assets</b>								
Investments	5,776.78	-	-	1,447.00	6,364.71	-	-	2,220.78
Trade receivables	-	-	-	1,886.18	-	-	-	1,456.15
Cash and cash equivalents	-	-	-	3,066.74	-	-	-	1,757.74
Bank balances other than above	-	-	-	1,281.08	-	-	-	3,232.99
Other Financial Assets	-	-	-	2,717.96	-	-	-	2,493.20
Derivative assets	-	7.91	8.29	-	-	12.82	13.52	-
<b>Total financial assets</b>	<b>5,776.78</b>	<b>7.91</b>	<b>8.29</b>	<b>10,398.96</b>	<b>6,364.71</b>	<b>12.82</b>	<b>13.52</b>	<b>11,160.86</b>
<b>Financial liabilities</b>								
Borrowings	-	-	-	90.54	-	-	-	279.65
Lease liabilities	-	-	-	161.72	-	-	-	300.19
Trade payables	-	-	-	1,251.37	-	-	-	911.22
Other Financial Liabilities	-	-	-	1,740.71	-	-	-	1,754.07
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,244.34</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,245.13</b>

Financial liability for future acquisition amounting to Rs. 511.94 Milion (Previous year Rs. Nil) has been measured through fair valuation by financial equity (refer note 39).

As of March 31, 2022 and March 31, 2021, 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.

**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

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

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. 1,886.18 Million and Rs. 1,456.15 Million as of March 31, 2022 and March 31, 2021 respectively and unbilled revenue amounting to Rs. 990.51 Million and Rs. 776.83 Million 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 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, 2022:

**Reconciliation of loss allowance provision.**

Particulars	Trade Receivables	Unbilled Revenue
<b>Loss allowance as on April 01, 2020</b>	<b>1,228.78</b>	<b>28.16</b>
Less: Bad Debts/ Unbilled Revenue written off	(579.90)	-
Add: Additional provisional created through exceptional items	3.45	-
Add: Provision for Expected credit loss*	28.19	19.87
<b>Loss allowance as on March 31, 2021</b>	<b>680.52</b>	<b>48.03</b>
Less: Bad Debts/ Unbilled Revenue written off	(58.66)	-
Add: (Reversal)/ Provision for Expected credit loss*	(11.41)	43.28
<b>Loss allowance as on March 31, 2022</b>	<b>610.45</b>	<b>91.31</b>

\*Provision (net of reversal) for expected credit loss in unbilled revenue and trade receivables includes Rs. 42.78 Million (Previous year Rs. 15.20 Million) recognised in consolidated statement of profit and loss in discontinued operations.

**(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	Between 1 and	More than 2	Total
	year	2 years	years	
<b>March 31, 2022</b>				
Borrowings	85.23	5.31	-	90.54
Trade payables	1,251.37	-	-	1,251.37
Other financial liabilities	2,069.67	182.46	0.52	2,252.65
Lease liabilities	32.98	35.83	92.91	161.72
	<b>3,439.25</b>	<b>223.60</b>	<b>93.43</b>	<b>3,756.28</b>
<b>March 31, 2021</b>				
Borrowings	202.50	45.06	32.09	279.65
Trade payables	911.22	-	-	911.22
Other financial liabilities	1,753.55	-	0.52	1,754.07
Lease liabilities	97.61	57.06	145.52	300.19
	<b>2,964.88</b>	<b>102.12</b>	<b>178.13</b>	<b>3,245.13</b>

**(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. 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 and AUD. 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, 2022	March 31, 2021
<b>Financial assets</b>		
Trade receivables & Bank balances		
SGD	68.06	70.14
USD	194.15	134.46
EUR	402.90	224.85
NOK	13.83	4.56
GBP	61.48	64.32
AUD	30.05	42.91
<b>Net exposure to foreign currency risk (assets)</b>	<b>770.47</b>	<b>541.24</b>
<b>Financial liabilities</b>		
Trade payables		
SGD	12.24	0.87
USD	70.67	47.50
EUR	81.41	80.40
NOK	1.85	13.49
GBP	6.46	5.14
AUD	9.97	11.55
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>182.60</b>	<b>158.95</b>

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, 2022		Impact on Profit and Loss for the year ended March 31, 2021	
	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	0.56	(0.56)	0.69	(0.69)
USD	1.23	(1.23)	0.87	(0.87)
EUR	3.21	(3.21)	1.44	(1.44)
NOK	0.12	(0.12)	(0.09)	0.09
GBP	0.55	(0.55)	0.59	(0.59)
AUD	0.20	(0.20)	0.31	(0.31)
<b>Total</b>	<b>5.87</b>	<b>(5.87)</b>	<b>3.81</b>	<b>(3.81)</b>

\*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.

**Notes to the Consolidated Financial Statements for the year ended March 31, 2022** Contd..  
(Amount in Rs. Millions, unless otherwise stated)

(D) Impact of hedging activities (a) Disclosure of effects of hedge accounting on financial position	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					
<b>March 31, 2022</b>									
<b>Foreign Exchange Risk</b>									
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
Foreign currency borrowing	-	-	-	-	-	1:1	-	(4.05)	4.05
<b>Interest rate risk</b>									
Interest rate swap	-	-	-	-	April 2021 to April 2021	1:1	9.25%	3.77	(3.77)
<b>March 31, 2021</b>									
<b>Foreign Exchange Risk</b>									
Foreign exchange forward contracts	1,179.48	-	22.57	-	April 2021 to March 2022	1:1	Euro:- 91.75 USD:- 76.49 GBP:- 102.75 CAD:- 58.94	31.70	(31.70)
Foreign currency borrowing	-	66.67	-	70.72	April 2021 to April 2021	1:1	USD:-68.98	(14.47)	14.47
<b>Interest rate risk</b>									
Interest rate swap	-	Interest on Rs. 66.67 million principal amount	3.77	-	April 2021 to April 2021	1:1	9.25%	10.34	(10.34)

\*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. The notional amount of interest rate swap is equal to the portion of variable rate loans that is being hedged, and therefore the hedge ratio for interest rate swap is also 1:1.

**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, 2022.

	March 31, 2022	March 31, 2021
Borrowings [refer note 13(i)]	90.54	279.65
Lease liabilities [refer note 6(ii)]	161.72	300.19
<b>Total Debt (A)</b>	<b>252.26</b>	<b>579.84</b>
Equity share capital (refer note 11)	267.74	284.70
Other Equity (refer note 12)	14,885.00	16,119.53
Non controlling interests [refer note 35(b)]	39.76	33.52
<b>Total Equity (B)</b>	<b>15,192.50</b>	<b>16,437.75</b>
<b>Profit after tax (C)</b>	<b>2,298.61</b>	<b>1,436.66</b>
Opening Shareholders equity	16,437.75	15,234.87
Closing Shareholders equity	15,192.50	16,437.75
<b>Average Shareholder's Equity (D)</b>	<b>15,815.13</b>	<b>15,836.31</b>
<b>Debt equity ratio (A/B)</b>	<b>0.02</b>	<b>0.04</b>
<b>Return on equity Ratio (%) (C/D)</b>	<b>14.53%</b>	<b>9.07%</b>

**29 Contingent liabilities**

## a) i). Claims against the Group not acknowledged as debts:-

	As at	
	March 31, 2022	March 31, 2021
- Customers	12.59	6.84
- Indemnification related to sale of investments in Coforge Limited (Formerly Known as NIIT Technologies Limited)	2,393.22	2,307.00
- Works Contract Tax	31.32	31.32
- Custom Duty	4.80	4.80
- Service Tax	32.34	32.34
- VAT	19.42	-
- Income Tax	59.68	61.09
- Others*	17.98	17.98
<b>Total</b>	<b>2,571.35</b>	<b>2,461.37</b>

\*It pertains to alleged dues towards provident fund payable by vendors of the Company which the Company is also contesting. The Group does not expect any reimbursements in respect of the above.

- ii) The Holding Company had received Show Cause Notices under section 263 of the Income Tax Act, 1961, issued by the Commissioner of Income Tax (CIT) for the Assessment years 1999-00 to 2005-06, who later issued Orders directing the Assessing Officer for re-assessment on certain items. The orders passed by the CIT u/s 263 for AY 1999-00 to AY 2005-06 have been challenged by the Holding Company in the Income Tax Appellate Tribunal ('the Tribunal'). The Tribunal has since passed order for AY 1999-00 wherein the Tribunal has decided the issue of assumption of jurisdiction against the Holding Company and on merits, the Tribunal has allowed some of the issues and dismissed others which were referred back to the assessing officer for fresh examination. The Holding Company has filed an appeal before the Hon'ble High Court of Delhi against the aforesaid order of the Tribunal which is pending for disposal. At this stage there is no ascertained/quantified demands. Based on legal opinion, the Holding Company has fair chances of obtaining adequate relief before the Appellate Authorities.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

It is not practical for the Holding Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. Management does not foresee any financial implication based on advice of legal counsel.

Serious Fraud Investigation Office ('SFIO') has filed a case against one of the past vendors, from whom the Holding Company has obtained certain services during FY 2002-05, which are also the subject matter of the above-mentioned matter u/s 263. Recently, the Holding Company has received a copy of partial complaint from the Court of ACMM, Delhi, who has made the Holding Company also a party to the above case. While the Holding Company has requested for a complete copy of complaint, which is yet to be received, based on the legal advice the matter is not maintainable and accordingly the Holding Company has filed a revision petition challenging the summoning order of the Court, which is pending to be heard.

## b) Guarantees

- i) Bank Guarantees issued by bankers outstanding at the end of the year Rs. 29.50 Million (Previous year - Rs. 12.60 Million).
- ii) Issuance of Performance Bank Guarantee of Rs. 208.73 Million (USD 2.75 Million) [Previous year Rs. 201.21 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 Rs. 304.02 Million (CAD 5.00 Million) [Previous year Rs. 291.00 Million (CAD 5.00 Million)], amount outstanding at the end of the year Rs. 48.64 Million (CAD 0.80 Million), [Previous year Rs. 139.68 Million (CAD 2.40 Million)] availed by NIIT Learning Solutions (Canada) Limited.
- iv) During the year, Corporate Guarantee issued to ICICI Bank UK for availing working capital limits on behalf of NIIT Limited, UK Rs. 419.28 Million (GBP 4.20 Million) [ Previous year Rs. 424.02 Million (GBP 4.20 Million)], Amount Outstanding at the end of the year Nil availed by NIIT UK Limited.

## 30 Capital and other commitments

- a) Estimated amount of contracts remaining to be executed on capital account (net of advances) not provided for Rs. 22.68 Million (Previous year Rs. 7.68 Million).
- b) For commitments related to lease arrangements, refer note 6.
- c) During the year, the Holding Company has issued need based financial support letters to its subsidiary, namely, NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited).

## 31 Dividend

Declared and paid during the year and previous year	Year ended	
	March 31, 2022	March 31, 2021
<b>Cash dividends on equity shares declared and paid:</b>		
Final dividend for the F.Y. 2020-21: Rs. 2.50 per share (F.Y. 2019-20: Rs. 2.00 per share)	333.17	283.33
Interim dividend for the F.Y. 2021-22 Rs. 3.00 per share (F.Y. 2020-21: Nil)	401.22	-
	<b>734.39</b>	<b>283.33</b>

## 32 Earnings per share

	Year ended	
	March 31, 2022	March 31, 2021
<b>From Continuing operations</b>		
Profit attributable to Equity Shareholders (Rs. Million) (A)	2,301.07	1,461.47
<b>From Discontinued operations</b>		
Loss attributable to Equity Shareholders (Rs. Million) (B)	(39.11)	(31.23)
<b>From Continuing and Discontinued operations</b>		
Profit attributable to Equity Shareholders (Rs. Million) (C)	2,261.96	1,430.24
Weighted average number of Equity Shares outstanding during the year (Nos.) - (D)	134,430,448	141,777,217
Add : Effect of Potential Dilutive Shares (being Stock options) (Nos.)	3,209,571	1,834,146
Weighted average shares outstanding considered for determining Diluted Earnings per Share (Nos.) - (E)	137,640,019	143,611,363
Nominal Value of Equity Shares (Rs.)	2	2
<b>From Continuing operations</b>		
Basic Earnings per Share (Rs.) (A/D)	17.12	10.31
Diluted Earnings per Share (Rs.) (A/E)	16.72	10.18
<b>From Discontinued operations</b>		
Basic loss per Share (Rs.) (B/D)	(0.29)	(0.22)
Diluted loss per Share (Rs.) (B/E)	(0.29)	(0.22)
<b>From Continuing and Discontinued operations</b>		
Basic Earnings per Share (Rs.) (C/D)	16.83	10.09
Diluted Earnings per Share (Rs.) (C/E)	16.43	9.96

**33 Related Party Transactions :****(A) Related parties with whom the Group has transacted:****Key Management Personnel**

- 1 Mr. Rajendra S Pawar (Chairman)
- 2 Mr. Vijay K Thadani (Vice-Chairman & Managing Director)
- 3 Mr. P Rajendran (Joint Managing Director)
- 4 Mr. Sapnesh Kumar Lalla (Executive Director & Chief Executive Officer w.e.f. August 05, 2021)
- 5 Mr. Anand Sudarshan (Independent Director)
- 6 Mr. Ashish Kashyap (Independent Director- resigned w.e.f. August 30, 2021)
- 7 Ms. Geeta Mathur (Independent Director)
- 8 Mr. Ravinder Singh (Independent Director)
- 9 Ms. Sangita Singh (Independent Director w.e.f. June 05, 2021)
- 10 Ms. Avani Vishal Davda (Independent Director w.e.f. June 05, 2021)
- 11 Mr. Udai Singh Pawar (Non executive Director w.e.f. August 05, 2021)
- 12 Ms. Leher Vijay Thadani (Non executive Director w.e.f. August 05, 2021)
- 13 Mr. Ravindra Babu Garikipati (Independent Director w.e.f. November 11, 2021)
- 14 Mr. Amit Roy (Chief Financial Officer -Till June 04, 2020)
- 15 Mr. Sanjay Mal (Chief Financial Officer-w.e.f. June 05, 2020)
- 16 Mr. Deepak Bansal (Company secretary)

**Relatives of Key Management Personnel**

- 1 Ms. Renuka Thadani (Wife of Vijay K Thadani)

**(B) 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
- 3 Naya Bazaar Novelties Private Limited
- 4 NIIT Foundation
- 5 NIIT Network Services Limited

**(C) Key Management Personnel compensation**

Particulars	March 31, 2022	March 31, 2021
Short-term employee benefits*	130.76	30.16
Post-employment benefits	5.55	1.43
Commission, Sitting fees, Remuneration and Others reimbursements to Non Executive & Independent Directors	28.91	15.32
<b>Total compensation</b>	<b>165.22</b>	<b>46.91</b>

\* Excludes value of employee stock options.

**(D) 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.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

## (E) Details of significant transactions and balances with related parties :

Nature of Transactions	Key Management Personnel	Relatives of Key Management Personnel	Parties in which Key Management Personnel of the Company are deemed to be interested	Total
Other Income	-	-	0.29	0.29
	(-)	(-)	(0.75)	(0.75)
Purchase of Goods	-	-	0.14	0.14
	(-)	(-)	(0.27)	(0.27)
<b>Purchase of Services</b>				
Other Expenses (CSR Expenses)	-	-	5.80	5.80
	(-)	(-)	(3.10)	(3.10)
Other Services (Included in Other Expenses)	-	0.98	1.80	2.78
	(-)	(0.98)	(6.99)	(7.97)
Professional Technical & Outsourcing Services	-	-	28.02	28.02
	(-)	(-)	(13.55)	(13.55)
<b>Recovery of Expenses By</b>				
Other Expenses	0.19	-	0.07	0.26
	(0.12)	(-)	(-)	(0.12)
<b>Recovery of Expenses From</b>				
Other Expenses	-	-	2.07	2.07
	(-)	(-)	(1.94)	(1.94)
Donation Paid	-	-	-	-
	(-)	(-)	(10.00)	(10.00)
Sale of Courseware	-	-	-	-
	(-)	(-)	(2.09)	(2.09)

Refer Notes 29 &amp; 30 for Guarantees, collaterals and commitments.

Previous year figures are given in parenthesis.

## (F) Outstanding Balances:

Particulars	Key Management Personnel	Relatives of Key Management Personnel	Parties in which Key Management Personnel of the Company are deemed to be interested	Total
<b>Receivables</b>				
March 31, 2022	0.26	-	0.71	0.97
March 31, 2021	0.48	-	2.09	2.57
<b>Payables</b>				
March 31, 2022	11.37	-	0.43	11.80
March 31, 2021	8.45	-	0.31	8.76

Note:- Refer Notes 29 and 30 for guarantees, collaterals and commitments as at the year end.

## 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, 2022	March 31, 2021
India	2,105.24	900.88
America	8,930.54	6,496.34
Europe	2,094.02	1,626.61
Rest of the World	645.01	572.95
<b>Total</b>	<b>13,774.81</b>	<b>9,596.78</b>

Revenue from external customer in India for discontinued operations Rs. 0.39 Million (Previous year Rs. 1.08 Million) not included in above.

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, 2022	March 31, 2021
India	1,709.96	1,700.69
America	494.92	557.27
Europe	35.93	62.20
Rest of the World	1,587.32	826.61
<b>Total</b>	<b>3,828.13</b>	<b>3,146.77</b>



**Consolidated Statement of Changes in Equity for the year ended March 31, 2022**

**Contd..**

(Amount in Rs. Millions, unless otherwise stated)

**35 Interests in other entities**

**(a) Subsidiaries**

The group's subsidiaries as at March 31, 2022 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 %)		Ownership interest held by non-controlling interests (in %)		Principal activities
			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	
1	NIIT Institute of Finance Banking and Insurance Training Limited	India	80.72	80.72	19.28	19.28	Education and Training
2	NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited, name changed w.e.f. January 18, 2022)	India	100	100	-	-	Education and Training
3	NIIT Yuva Jyoti Limited (Liquidated on February 25, 2022)	India	-	100	-	-	Education and Training
4	NIIT Institute of Process Excellence Limited (Under Voluntary Liquidation w.e.f. February 19, 2020)	India	100	100	-	-	Education and Training
5	NIIT USA Inc., USA	United States	100	100	-	-	Education and Training
6	Stockroote Learning Inc., USA (subsidiary of entity at serial no. 5 - incorporated on December 29, 2020)	United States	100	100	-	-	Education and Training
7	NIIT Limited, UK	United Kingdom	100	100	-	-	Education and Training
8	NIIT Malaysia Sdn. Bhd, Malaysia	Malaysia	100	100	-	-	Education and Training
9	NIIT West Africa Limited	Nigeria	100	100	-	-	Education and Training
10	NIIT GC Limited, Mauritius	Mauritius	100	100	-	-	Education and Training
11	NIIT (Ireland) Limited	Ireland	100	100	-	-	Education and Training
12	NIIT Learning Solutions (Canada) Limited (subsidiary of entity at serial no. 11)	Canada	100	100	-	-	Education and Training
13	Eagle International Institute Inc. USA (subsidiary of entity at serial no. 5 till June 30, 2021, merged with NIIT USA) Inc., USA w.e.f. July 01, 2021)	United States	100	100	-	-	Education and Training
14	Eagle Training Spain, S.L.U (subsidiary of entity at serial no. 13 till June 30, 2021, subsidiary of entity at serial no. 5 w.e.f. July 1, 2021)	Spain	100	100	-	-	Education and Training
15	PI NIIT Indonesia, Indonesia (under liquidation)	Indonesia	100	100	-	-	Education and Training
16	NIIT China (Shanghai) Limited, Shanghai (subsidiary of entity at serial no. 10)	China	100	100	-	-	Education and Training
17	NIIT Wuxi Service Outsourcing Training School, China (Deregistered on June 24, 2020) (subsidiary of entity at serial no. 16)	China	-	-	-	-	Education and Training
18	Wuxi NIIT Information Technology Consulting Limited, China (entity closed on October 30, 2020) (subsidiary of entity at serial no. 16)	China	-	-	-	-	Education and Training
19	Su Zhou NIIT Information Technology Consulting Limited, China (subsidiary of entity at serial no. 18, ceases to exist as step-down subsidiary of the Company w.e.f. October 30, 2020)	China	-	-	-	-	Education and Training
20	Changzhou NIIT Information Technology Consulting Limited (subsidiary of entity at serial no. 18, ceases to exist as step-down subsidiary of the Company subsidiary w.e.f. October 30, 2020)	China	-	-	-	-	Education and Training
21	Chengmai NIIT Information Technology Company Limited, China (Under process of closing) (subsidiary of entity at serial no. 16)	China	100	100	-	-	Education and Training
22	Chongqing An Dao Education Consulting Limited, China (subsidiary of entity at serial no. 16)	China	65	65	35	35	Education and Training
23	Chongqing NIIT Education Consulting Limited, China (Closed on January 20, 2021) (subsidiary of entity at serial no. 16)	China	60	60	40	40	Education and Training
24	Ningxia NIIT Education Technology Company Limited, China (subsidiary of entity at serial no. 16)	China	100	100	-	-	Education and Training
25	Guizhou NIIT information technology consulting Co., Limited, China (subsidiary of entity at serial no. 16)	China	100	100	-	-	Education and Training
26	NIIT (Guizhou) Education Technology Co., Limited, China (subsidiary of entity at serial no. 16)	China	100	100	-	-	Education and Training
27	RPS Consulting Private Limited (w.e.f. October 01, 2021)	India	70	-	30	-	Education and Training

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

(b) Non Controlling Interest

Particulars	Amount
<b>As at April 1, 2020</b>	<b>27.32</b>
Less: Amount transferred to Capital Reserve on purchase of Non-controlling interest	(0.22)
Less : Share of loss attributable to non-controlling interest	6.42
<b>As at March 31, 2021</b>	<b>33.52</b>
Less : 30% of Non-controlling share of RPS Consulting Private Limited transferred to Future acquisition liability up to March 31, 2022	(30.41)
Add : Share of profit attributable to non-controlling interest	36.65
<b>As at March 31, 2022</b>	<b>39.76</b>

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)
<b>Parent Company</b>									
NIIT Limited	2022	71.80	10,910.52	(64.35)	(1,456.12)	(317.98)	(51.48)	(66.18)	(1,507.60)
	2021	84.35	13,865.83	(68.20)	(975.39)	12.07	(2.99)	(69.61)	(978.38)
<b>Indian Subsidiaries</b>									
1. NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited, name changed w.e.f January 18, 2022) (Refer note 38)	2022	0.14	20.68	(0.19)	(4.20)	2.59	0.42	(0.17)	(3.78)
	2021	0.14	22.31	(9.64)	(137.85)	(23.24)	5.76	(9.40)	(132.09)
2. NIIT Institute of Finance Banking and Insurance Training Limited	2022	0.82	124.93	2.76	62.42	(3.64)	(0.59)	2.71	61.83
	2021	0.77	126.27	1.80	25.72	3.27	(0.81)	1.77	24.91
3. NIIT Institute of Process Excellence Limited (Under Liquidation)	2022	0.03	4.60	(0.01)	(0.21)	-	-	(0.01)	(0.21)
	2021	0.03	4.81	(0.02)	(0.35)	-	-	(0.02)	(0.35)
4. NIIT Yuva Jyoti Limited (Liquidated on February 25, 2022)	2022	-	-	-	(0.09)	-	-	-	(0.09)
	2021	(0.01)	(1.96)	(0.01)	(0.20)	-	-	(0.01)	(0.20)
5. RPS Consulting Private Limited	2022	4.64	705.01	2.92	66.16	2.29	0.37	2.92	66.53
	2021	-	-	-	-	-	-	-	-
<b>Foreign Subsidiaries</b>									
1. NIIT (USA) Inc., USA	2022	9.64	1,462.55	81.40	1,841.14	304.20	49.25	82.98	1,890.39
	2021	5.74	941.98	89.32	1,277.45	300.89	(74.56)	85.59	1,202.89
2. NIIT Limited, UK	2022	1.10	167.67	1.04	23.54	(30.95)	(5.01)	0.81	18.53
	2021	(0.78)	(127.84)	(3.43)	(49.10)	(38.10)	9.44	(2.82)	(39.66)
3. NIIT Malaysia Sdn. Bhd	2022	0.45	68.21	(1.09)	(24.66)	16.37	2.65	(0.97)	(22.01)
	2021	0.28	46.50	(0.54)	(7.72)	(5.37)	1.33	(0.45)	(6.39)
4. NIIT GC Limited	2022	0.06	7.14	(0.24)	(5.33)	(2.22)	(0.36)	(0.25)	(5.69)
	2021	0.01	0.67	(0.14)	(1.94)	(1.82)	0.45	(0.11)	(1.49)
5. NIIT China (Shanghai) Limited	2022	1.62	246.77	6.33	143.25	119.95	19.42	7.14	162.67
	2021	1.15	189.00	7.84	112.08	(39.59)	9.81	8.67	121.89
6. NIIT WuXi Service Outsourcing Training School	2022	-	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-	-
7. WuXi NIIT Information Technology Consulting Limited	2022	-	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-	-
8. Chongqing NIIT Education Consulting Limited	2022	-	(0.17)	0.01	0.17	(48.86)	(7.91)	(0.34)	(7.74)
	2021	-	(0.17)	(0.00)	(0.10)	(1.13)	0.28	0.01	0.18
9. Changzhou NIIT Information Technology Consulting Limited	2022	-	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-	-
10. Su Zhou NIIT Information Technology Consulting Limited	2022	-	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

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)
11. PT NIIT Indonesia (Under Liquidation)	2022	-	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-	-
12. NIIT West Africa Limited	2022	0.01	1.54	(0.04)	(0.97)	0.12	0.02	(0.04)	(0.95)
	2021	(0.01)	(1.02)	(0.08)	(1.14)	0.69	(0.17)	(0.09)	(1.31)
13. Chongqing An Dao Education Consulting Limited	2022	0.21	32.22	1.35	30.62	21.25	3.44	1.50	34.06
	2021	0.15	24.14	2.82	40.30	(9.12)	2.26	3.03	42.56
14. Zhangjiagang NIIT Information Services Limited	2022	-	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-	-
15. Chengmai NIIT Information Technology Company Limited	2022	0.00	0.03	-	(0.01)	-	-	-	(0.01)
	2021	0.00	0.03	-	(0.02)	-	-	-	(0.02)
16. Guizhou NIIT Information Technology Consulting Company Limited	2022	0.02	3.41	(0.22)	(4.88)	21.43	3.47	(0.06)	(1.41)
	2021	0.05	7.76	(0.09)	(1.25)	(7.55)	1.87	0.04	0.62
17. NIIT Ireland Limited	2022	1.10	166.93	32.80	741.98	(172.76)	(27.97)	31.34	714.01
	2021	0.98	161.52	35.78	511.72	11.30	(2.80)	36.21	508.92
18. NIIT Learning Solutions (Canada) Limited	2022	7.90	1,199.58	55.63	1,258.43	182.77	29.59	56.54	1,288.02
	2021	6.44	1,058.92	52.55	751.60	(98.35)	24.37	55.21	775.97
19. NIIT (Guizhou) Education Technology Company Limited	2022	(0.01)	(1.91)	(2.05)	(46.47)	5.19	0.84	(2.00)	(45.63)
	2021	0.03	5.36	(3.50)	(50.06)	0.56	(0.14)	(3.57)	(50.20)
20. Ningxia NIIT Education Technology Company Limited	2022	(0.01)	(1.13)	(1.38)	(31.13)	1.79	0.29	(1.35)	(30.84)
	2021	(0.02)	(3.53)	(2.03)	(29.04)	(0.40)	0.10	(2.06)	(28.94)
21. Eagle International Institute Inc. USA	2022	-	-	0.91	20.68	5.62	0.91	0.95	21.59
	2021	0.39	64.60	2.85	40.75	(5.93)	1.47	3.00	42.22
22. Eagle Training, Spain S.L.U	2022	0.02	3.63	(2.64)	(59.69)	1.98	0.32	(2.61)	(59.37)
	2021	(0.01)	(2.35)	(3.67)	(52.43)	2.46	(0.61)	(3.77)	(53.04)
23. Stackroute Learning, Inc	2022	(0.04)	(5.39)	(11.32)	(256.02)	(9.14)	(1.48)	(11.30)	(257.50)
	2021	0.13	20.96	(1.14)	(16.37)	(0.65)	0.16	(1.15)	(16.21)

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)
<b>Non-controlling Interest in all subsidiaries</b>									
<b>Indian</b>									
1. NIIT Institute of Finance Banking and Insurance Training Limited	2022	0.18	27.50	(0.10)	(2.26)	-	-	(0.10)	(2.26)
	2021	0.15	25.25	(0.03)	(0.41)	-	-	(0.03)	(0.41)
2. RPS Consulting Private Limited	2022	0.24	35.75	(1.34)	(30.41)	-	-	(1.33)	(30.41)
	2021	-	-	-	-	-	-	-	-
<b>Foreign</b>									
1. Chongqing NIIT Education Consulting Limited	2022	-	0.17	(0.01)	(0.17)	-	-	(0.01)	(0.17)
	2021	-	0.17	0.14	1.95	-	-	0.14	1.95
2. Chongqing An Dao Education Consulting Limited	2022	0.08	12.26	(0.17)	(3.81)	-	-	(0.17)	(3.81)
	2021	0.05	8.54	(0.56)	(7.96)	-	-	(0.57)	(7.96)
<b>Total</b>	2022	<b>100.00</b>	<b>15,192.50</b>	<b>100.00</b>	<b>2,261.96</b>	<b>100.00</b>	<b>16.19</b>	<b>100.00</b>	<b>2,278.15</b>
	2021	<b>100.00</b>	<b>16,437.75</b>	<b>100.00</b>	<b>1,430.24</b>	<b>100.00</b>	<b>(24.78)</b>	<b>100.00</b>	<b>1,405.46</b>

**37 Discontinued operations**

During the year 2019-20, in line with its stated long term strategy of reducing exposure to low margin, capital intensive government business, the Group had decided not to pursue new skills contracts and decided to discontinue operations post completion of continuing commitments. These contracts were transferred from its wholly owned subsidiary NIIT Yuva Jyoti Limited (Liquidated on February 25, 2022) to the parent company (NIIT Limited) through an agreement.

In pursuance of applicable accounting standard (IND AS - 105), the net results (i.e. revenue minus expenses) of such operations are disclosed separately as loss from 'Discontinued Operations'.

Net results of Discontinued Operations :	Year ended	
	March 31, 2022	March 31, 2021
Revenue	0.39	1.08
Other Income	1.01	0.77
<b>Less Expenses :</b>		
Depreciation and Amortisation	0.04	0.64
Other Expenses	51.64	32.44
<b>Loss before tax from discontinued operations</b>	<b>(50.28)</b>	<b>(31.23)</b>
Tax Expenses*	(11.17)	-
<b>Loss after tax from discontinued operations</b>	<b>(39.11)</b>	<b>(31.23)</b>

\*Includes deferred tax credit amounting to Rs. 10.89 Million.

Cash flow from Discontinued Operations	Year ended	
	March 31, 2022	March 31, 2021
Net Cash flow used in operating activities	(5.49)	(17.87)
Net cash flow generated from investing activities	0.42	2.84
Net Cash flow used in financing activities	-	(0.34)

- 38** During the financial year 2019-20, the Group decided to divest NIIT Learning Systems Limited (NLSL) [Formerly known as Mindchampion Learning Systems Limited], to a strategic or financial investor. Therefore, as per provisions of Ind AS 105 - 'Non-current assets held for sale and Discontinued Operations', the results of NLSL were classified as loss from discontinued operations.

The Board of Directors in its meeting held on January 28, 2022 decided not to pursue the process of divestment of NLSL and leverage assets and resources of the company for its offerings in the education sector and house the CLG Business Undertaking under the Scheme. Consequently, as per Ind AS 105, the financial statements including assets and liabilities of NLSL have been restated as continuing operations with corresponding restatement in the previous financial year.

**Statement of Profit and Loss of Discontinued Operations restated in current financial year as continuing operations**

	March 31, 2021
<b>INCOME</b>	
Revenue from operations	101.84
Other Income	15.04
<b>Total Income</b>	<b>116.88</b>
<b>EXPENSES</b>	
Purchase of stock-in-trade	(7.39)
Change in inventories of stock-in-trade	24.06
Employee benefit expenses	121.20
Professional & technical outsourcing expenses	18.36
Finance costs	0.04
Depreciation and amortisation expenses	5.41
Other expenses	46.91
<b>Total Expenses</b>	<b>208.59</b>
<b>Loss before exceptional items</b>	<b>(91.71)</b>
Exceptional items	(45.36)
Loss before tax	(137.07)
<b>Tax expense:</b>	
- Current tax	0.78
<b>Total tax expense</b>	<b>0.78</b>
<b>Loss from discontinued operations</b>	<b>(137.85)</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

## Balance Sheet of Asset held for sale restated in current financial year as continuing operations

	March 31, 2021
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property, plant and equipment	0.32
Right-of-use assets	0.18
Financial Assets	
Other financial assets	0.03
Income tax assets (net)	20.90
<b>Total non-current assets</b>	<b>21.43</b>
<b>Current Assets</b>	
Inventories	17.20
Financial Assets	
Investments	46.93
Trade receivables	49.63
Cash and cash equivalents	16.45
Bank balances other than above	7.00
Other financial assets	1.60
Other current assets	10.29
<b>Total current assets</b>	<b>149.10</b>
<b>Assets classified as held for sale as at March 31, 2021</b>	<b>170.53</b>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Financial Liabilities	
Lease Liabilities	0.18
Trade payables	104.38
Other financial liabilities	11.62
Provisions	10.14
Other current liabilities	21.90
<b>Total current liabilities</b>	<b>148.22</b>
<b>Liabilities directly associated with assets classified as held for sale as at March 31, 2021</b>	<b>148.22</b>

## 39 Business combinations

## (a) Summary of acquisition

On October 1, 2021, the Group entered into Share Purchase Agreement (SPA) and other transaction documents with RPS Consulting Private Limited ("RPS") and promoters/existing shareholders of RPS to acquire 70% equity shareholding (on a fully diluted basis) for a consideration of Rs. 826.61 Million. The remaining 30% shareholding of RPS will be acquired by the Holding Company in next 2 tranches based on achievement of certain financial milestones in terms of the transaction documents.

The group concluded Purchase Price Allocation ("PPA") of the purchase consideration paid to the shareholders of RPS and recognised intangible assets of Rs. 129.75 Million and balance as goodwill of Rs. 830.88 Million in accordance with Ind AS 103- 'Business Combinations'. Further, the Group has recognised Future Acquisition Liability of Rs. 511.94 Million for the balance 30% stake at fair value as at March 31, 2022. Acquisition related cost has been recognised as an exceptional item in the consolidated statement of profit and loss for the year ended March 31, 2022.

The assets and liabilities recognised as on October 01, 2021 as a result of the acquisition are as follows:

Particulars	Amount
Property, plant and equipment	6.31
Right-of-use assets	19.01
Other financial assets	144.83
Deferred tax assets	7.03
Income tax assets (net)	51.16
Inventories	2.00
Trade receivables	166.71
Cash and cash equivalents	75.93
Other current assets	29.01
Trade payables	(148.10)
Lease Liabilities	(20.00)
Other financial liabilities	(81.81)
Provisions	(14.05)
Other current liabilities	(17.79)
<b>Net identifiable assets acquired (A)</b>	<b>220.24</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

Particulars	Amount
<b>Intangible assets recognised pursuant to PPA</b>	
Brand	3.75
Trainers Database	76.73
Customer Relationships	49.27
<b>Total Intangible assets recognised (B)</b>	<b>129.75</b>
<b>Total Assets acquired (A+B)</b>	<b>349.99</b>
<b>Calculation of goodwill</b>	
Purchase consideration as per SPA*	1,180.87
Less : Total assets acquired as above	(349.99)
<b>Goodwill</b>	<b>830.88</b>

\*First tranche of 70% has been paid.

## (b) Significant judgements

## (i) Future Acquisition Liability

The obligation to acquire remaining 30% interest of RPS has been recorded as financial liability for future acquisition. The Group recorded transferred identifiable assets (tangible and intangible) basis a fair valuation. Consequent to this business acquisition, RPS results were consolidated effective October 1, 2021. Pending acquisition of 30% interest the group has attributed the profit and each component of OCI (if any) to Non Controlling Interest, which is included in future acquisition liability. This financial liability has been measured at the date of acquisition initially as per SPA. This amount was re-measured at Rs.511.94 Million as at March 31, 2022. The increase in liability, after adjusting the profit and OCI attributed to non- controlling interest as described above, has been included in retained earnings. This has resulted in reduction in retained earnings by Rs. 127.27 Million in the year ended March 31, 2022.

## (ii) The acquired business contributed revenues and profits to the Company as follows:

Particulars	October 01, 2021 to March 31, 2022
Revenue	615.11
Profit	84.55

## (iii) Purchase consideration - cash flow

Particulars	October 01, 2021 to March 31, 2022
Outflow of cash to acquire subsidiary, net of cash acquired*	
Cash consideration	834.82
Less: balances acquired	
Cash and Bank	(75.93)
<b>Net outflow of cash - investing activities</b>	<b>758.89</b>

\*including acquisition related costs.

Acquisition related costs of Rs 8.21 Million included in Consolidated Statement of Profit and Loss.

40 The Holding Company on February 19, 2020 had approved the proposal of voluntary liquidation as shareholder of NIIT Institute of Process Excellence Limited (NIPE) and NIIT Yuva Jyoti Limited (NYJL), wholly owned subsidiaries, in accordance with applicable laws, as recommended by the board of directors of these subsidiaries. During the financial year 2021-22, NCLT vide its order dated February 25, 2022, read with the rectification order dated March 23, 2022, approved the dissolution of NYJL with effect from February 25, 2022. Consequent to the above, all the shares held by the Company in NYJL were cancelled. The voluntary liquidation of NIPE is in progress.

## 41 Additional regulatory information

- There are no immovable properties included in Property Plant and Equipment, whose title deeds are not held in the name of the Company.
- The Group has not revalued its Property, Plant and Equipment (including Right of use assets) and intangible assets during the year ended March 31, 2022.
- 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.
- The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority, as per the available information.

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Contd..

(Amount in Rs. Millions, unless otherwise stated)

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, 2022	Balance outstanding as on March 31, 2021	Relationship with the struck off company, if any, to be disclosed
P2RL Institute Of Computer Studies Private Limited	Trade Receivable	-	1.17	None
Shriiram Infocons Private Limited	Trade Receivable	-	1.20	None
Shreya Automobiles Services Private Limited	Trade Receivable	-	1.05	None
Ajay It Solutions Private Limited	Trade Receivable	-	1.58	None
Dolce Data Systems Private Limited, Coral Infotech Private Limited, Prasad Software Private Limited, Ask Infotech Private Limited, Couto Data Systems Private Limited, Sri Sai Prabhu Computer Education Private Limited, Study Web Computers Private Limited, Anudeep Infotech Private Limited, Ramana Systems Private Limited, Rifson Infotech Private Limited, Surbhi Computers Private Limited, Edutech Centre Private Limited, Venkata Bayamma Infotech Private Limited, Unique Computech Private Limited, U D Info Education Centre Private Limited, O.S. Business Solutions Private Limited, Singrauli Infotech Private Limited, Crux Career Labs Private Limited, Saraswati Vidya Private Limited, Sudharsanam IT Academy Private Limited, Bss Software Services Private Limited, JMG Computer Education Private Limited, Intuitive IT Labs Private Limited, Noble Career Solutions Private Limited, Jayamatha Technological Centre Private Limited, Divinity Infotech Private Limited, Culverin Infotech Solutions Private limited, Suhas Computers Private Limited, Vaishnavi Techno Solutions Private limited, Suvipr Infotech Private Limited, Bytestream Infotech Private Limited, Anchor Education Private Limited, Jeen Career Solution Private Limited, Shambhvi Education Private Limited, Glenmoor Technologies Private Limited, Vishalakshi Education Systems Private Limited, Kokom Info Private Limited, Pinnacle New Era Education Private Limited, Wakode Technologies Private Limited, White Orchid IT Solutions Private Limited, Bran Eduvision Private Limited, Saq Institute Private Limited, PRS Techno Solutions Private Limited, Cognistyx Business Solutions Private limited, PH Informatics Private Limited, ABR Infotech Private Limited, E2E Educomp Private Limited, 2S Systems Learning Private Limited, Ayurda Arjit Multiservices Private Limited, Tirumala Tanaya Soft Solutions Private Limited, U D Info education Centre Private Limited, Snowflakes Educations Private Limited, Netspyder Networks Private Limited, Academic Campus Connections Private Limited, B Basaveshwara IT Solutions Private Limited, Vijaya Lakshmi Softtech Private Limited	Trade Receivable	0.02*	10.47*	None
S One Technologies Private Limited	Trade Payable	(1.59)	(1.59)	None
Dhansree Computers Private Limited	Trade Payable	(1.60)	(1.60)	None
Offline Informatics Private Limited, Sathya Sudha Computers Private Limited, Insoft Technologies Private Limited, Joshison's Computers Private Limited, Sri Veerabhadra Infotech Private Limited, Vegi's Computers Private Limited, Rhino Infotech Private Limited, Assam Computer Services Private Limited, Cognistyx Business Solutions Private, Hariharan Technologies Private Limited, Tatwamasi Infotech Bijapur Private Limited, North East Info Services Private Limited, Assam Computer Services Private Limited	Trade Payable	(2.86)*	3.84*	None
Vijaya Lakshmi Softtech Private Limited	Advance to Vendor	0.01	0.01	None

\*Individual Companies with balance outstanding less than Rs. 1 Million.

- 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 Board of Directors of the Holding 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.  
  
Pending regulatory approvals and other compliances, the financial statements of the Company does not have impact of the Scheme. Expenses related to the Scheme have been recognised as an exceptional item in the consolidated profit and loss.  
  
These financial statements include revenue from operations of CLG Business Undertaking of Rs. 11,309.92 Million for the year ended March 31, 2022.
- ix) 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
- x) 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
- xi) The Holding Company has been sanctioned working capital limits in excess of Rs. 50 Million in aggregate from banks during the year on the basis of security of current assets of the Holding Company. The quarterly returns / statements filed by the Holding Company with such banks are in agreement with the books of accounts of the Holding Company.
- 42 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.
- 43 Board of Directors of the Holding Company at its meeting held on June 4, 2021, has approved the merger of Eagle International Institute, Inc., USA (step down subsidiary of the Company) with NIIT (USA) Inc., USA (a wholly owned subsidiary of the Company), effective July 1, 2021.
- 44 Previous year figures have been regrouped / reclassified to conform to the current year's classification.

Signatures to Notes ' 1 ' to ' 44 ' above of these Consolidated Financial Statements.

**For S.R.Batlboi & Associates LLP**

Chartered Accountants  
Firm Registration No.: 101049W/E300004

**Sanjay Bachchani**

Partner  
Membership No. 400419

**For and on behalf of the Board of Directors of NIIT 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 24, 2022



**S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

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

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**
**Review Report to  
The Board of Directors  
NIIT Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of NIIT Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), for the quarter ended June 30, 2022 and year to date from April 01, 2022 to June 30, 2022 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44-2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities listed in Annexure A.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



**S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

6. The accompanying Statement includes the interim reviewed financial results in respect of:
- 8 subsidiaries, whose unaudited interim financial results include total revenues of Rs 836 million, total net profit after tax of Rs. 85 million and total comprehensive income of Rs. 85 million for the quarter ended June 30, 2022 and the period ended on that date, as considered in the Statement which have been reviewed by their respective independent auditors.

The independent auditor's reports on interim financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

7. The accompanying Statement includes unaudited financial results and other unaudited financial information in respect of:

- 4 subsidiaries, whose interim financial results and other financial information reflect total revenues of Rs 8 million, total net profit after tax of Rs. 1 million and total comprehensive income of Rs. 1 million for the quarter ended June 30, 2022 and the period ended on that date.

The unaudited interim financial results and other unaudited financial information of these subsidiaries have not been reviewed by any auditor and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 6 and 7 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial results certified by the Management.

**For S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

  
 per Sanjay Bachchani

Partner  
 Membership No.: 400419  
 UDIN: 22400419ANTJQR9829



Place Gurugram  
 Date July 28, 2022

## **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

### **Annexure A**

List of Entities included in unaudited consolidated financial results for the quarter and year-to-date ended June 30, 2022:

#### **1. NIIT Limited**

#### **Subsidiaries**

2. NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited, name changed w.e.f January 18, 2022)
3. NIIT Institute of Finance Banking and Insurance Training Limited
4. NIIT Yuva Jyoti Limited (Liquidated on February 25, 2022)
5. NIIT Institute of Process Excellence Limited (Under Voluntary Liquidation w.e.f. February 19, 2020)
6. NIIT (USA) Inc, USA
7. Stackroute Learning Inc, USA (subsidiary of entity at serial no. 6)
8. NIIT Limited, UK
9. NIIT Malaysia Sdn. Bhd, Malaysia
10. NIIT West Africa Limited
11. NIIT GC Limited, Mauritius
12. NIIT (Ireland) Limited
13. NIIT Learning Solutions (Canada) Limited (subsidiary of entity at serial no. 12)
14. Eagle International Institute Inc. USA (subsidiary of entity at serial no. 6 till June 30, 2021, merged with NIIT (USA) Inc, USA w.e.f. July 01, 2021)
15. Eagle Training Spain, S.L.U (subsidiary of entity at serial no. 14 till June 30, 2021, subsidiary of entity at serial no. 6 w.e.f. July 1, 2021)
16. PT NIIT Indonesia, Indonesia (under liquidation)
17. NIIT China (Shanghai) Limited, Shanghai (subsidiary of entity at serial no. 11)
18. Chengmai NIIT Information Technology Company Limited, China (Under process of closing, subsidiary of entity at serial no. 17)
19. Chongqing An Dao Education Consulting Limited, China (subsidiary of entity at serial no. 17)
20. NingXia NIIT Education Technology Company Limited, China (under process of closing, subsidiary of entity at serial no. 17)
21. Guizhou NIIT Information Technology Consulting Co., Limited, China (subsidiary of entity at serial no. 17)
22. NIIT (Guizhou) Education Technology Co., Limited, China (subsidiary of entity at serial no. 17)
23. RPS Consulting Private Limited (w.e.f. October 01, 2021)



**NIIT Limited**

Regd Office : Plot No. 85, Sector - 32, Institutional Area, Gurugram - 122001 (Haryana) India  
 Tel : +91 (124) 4293000 Fax : +91 (124) 4293333 Website : http://www.niit.com  
 Corporate Identity Number : L74899DL1981PLC015865  
 Email : investors@niit.com

Statement of Unaudited Financial Results for the Quarter ended June 30, 2022

(Rs. in Millions, except per share data)

Consolidated Financial Results				
Particulars	3 months ended June 30, 2022	Preceding 3 months ended March 31, 2022	Corresponding 3 months ended June 30, 2021	Previous year ended March 31, 2022
	Unaudited	Audited (Refer note 12)	Unaudited (Restated) (Refer notes 7 and 10)	Audited
	(1)	(2)	(3)	(4)
<b>1 Income</b>				
a) Revenue from operations	4,048.21	3,749.80	3,022.53	13,774.81
b) Other income	52.00	122.25	147.13	517.11
<b>Total Income</b>	<b>4,100.21</b>	<b>3,872.05</b>	<b>3,169.66</b>	<b>14,291.92</b>
<b>2 Expenses</b>				
a) Purchase of stock-in-trade	26.53	51.72	22.19	134.22
b) Changes in inventories of stock-in-trade	8.08	1.68	4.39	(2.80)
c) Employee benefit expenses	2,029.13	1,827.96	1,599.55	6,908.12
d) Professional & technical outsourcing expenses	800.62	677.29	431.72	2,319.46
e) Finance costs	4.54	4.70	6.42	20.70
f) Depreciation and amortisation expenses	138.84	156.52	143.54	576.61
g) Other expenses	482.97	465.69	269.73	1,451.00
<b>Total expenses</b>	<b>3,490.71</b>	<b>3,185.56</b>	<b>2,477.54</b>	<b>11,497.31</b>
<b>3 Profit before Exceptional items and tax (1-2)</b>	<b>609.50</b>	<b>686.49</b>	<b>692.12</b>	<b>2,884.61</b>
<b>4 Exceptional items (net) (Refer note 4)</b>	<b>(3.25)</b>	<b>(14.90)</b>	<b>-</b>	<b>(29.30)</b>
<b>5 Profit before tax (3+4)</b>	<b>604.25</b>	<b>671.59</b>	<b>692.12</b>	<b>2,855.31</b>
<b>6 Tax expense</b>				
-Current tax	162.42	121.29	142.22	621.35
-Deferred tax (creditor) charge	(35.69)	(135.17)	3.63	(103.76)
<b>Total tax expense</b>	<b>126.73</b>	<b>(13.88)</b>	<b>145.85</b>	<b>517.59</b>
<b>7 Profit for the period / year from continuing operations (5-6)</b>	<b>477.52</b>	<b>685.47</b>	<b>546.27</b>	<b>2,337.72</b>
<b>8 Loss after tax from discontinued operations for the period / year (Refer note 9)</b>	<b>(15.28)</b>	<b>(1.28)</b>	<b>(27.86)</b>	<b>(39.11)</b>
<b>9 Profit for the period / year (7+8)</b>	<b>462.24</b>	<b>684.19</b>	<b>518.41</b>	<b>2,298.61</b>
Profit attributable to Owners of NIIT Limited	443.17	673.77	514.31	2,261.96
Profit attributable to Non Controlling Interests	19.07	10.42	4.10	36.65
<b>10 Other comprehensive income (net of tax) for the period / year</b>				
(i) Items that will not be reclassified to profit or loss	52.91	20.11	34.55	17.65
(ii) Items that will be reclassified to profit or loss	(15.71)	(9.23)	(6.64)	(1.46)
<b>Total (i+ii)</b>	<b>37.20</b>	<b>10.88</b>	<b>27.91</b>	<b>16.19</b>
<b>11 Total comprehensive income for the period / year (9+10)</b>	<b>499.44</b>	<b>695.07</b>	<b>546.33</b>	<b>2,314.80</b>
Attributable to :				
Owners of NIIT Limited	480.37	684.65	542.22	2,278.15
Non Controlling Interests	19.07	10.42	4.10	36.65
<b>12 Paid-up equity share capital (Face value of Rs. 2 each, fully paid)</b>	<b>268.14</b>	<b>267.74</b>	<b>265.64</b>	<b>267.74</b>
<b>13 Reserves excluding revaluation reserves</b>				<b>14,885.00</b>
<b>14 Earnings Per Share for Continuing Operations (In Rs.): (Face value of Rs. 2/-) (Not annualised for the quarter)</b>				
- Basic	3.42	5.05	3.96	17.12
- Diluted	3.31	4.89	3.88	16.72
<b>15 Loss Per Share for Discontinued Operations (In Rs.): (Face value of Rs. 2/-) (Not annualised for the quarter)</b>				
- Basic	(0.11)	(0.01)	(0.20)	(0.29)
- Diluted	(0.11)	(0.01)	(0.20)	(0.29)
<b>16 Earnings Per Share for Continuing and Discontinued Operations (In Rs.): (Face value of Rs. 2/-) (Not annualised for the quarter)</b>				
- Basic	3.31	5.04	3.76	16.83
- Diluted	3.20	4.88	3.68	16.43



*[Handwritten signature]*



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**Notes to the Consolidated Financial Results :-**

- The above results were reviewed by Audit Committee and approved by the Board of Directors at its meeting held on July 28, 2022
- The consolidated financial results have been prepared in accordance with applicable Indian Accounting Standards as prescribed under section 133 of the Companies Act 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and Amended Rules, 2016.
- During the quarter, under the Employee Stock Option Plan 2005 (ESOP-2005), 199,336 options were exercised and 6,989,558 options remained outstanding as on June 30, 2022
- Exceptional items in Consolidated Financial Results, include the following:

Particulars	(Rs. in Millions)			
	3 months ended June 30, 2022	Preceding 3 months ended March 31, 2022	Corresponding 3 months ended June 30, 2021	Previous year ended March 31, 2021
	Unaudited	Audited (Refer note 12)	Unaudited (Restated) (Refer notes 7 and 10)	Audited
<b>Expenses :</b>				
Legal and Professional cost towards acquisition	(0.89)	(0.80)	-	(9.51)
Legal and Professional cost towards Scheme of Arrangement (Refer note 6)	(4.34)	(14.10)	-	(19.79)
<b>Total</b>	<b>(5.23)</b>	<b>(14.90)</b>	<b>-</b>	<b>(29.30)</b>

- The Group provides Education & Training Services as a single segment. Its operations and performance are viewed and evaluated by management as a single unit i.e. Learning Business. Therefore, the business of the Group is considered as Single Segment in the context of Ind AS 108 – Operating Segments.
- The Board of Directors of the Company, in its meeting held on January 28, 2022 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 CLO 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 CLO 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. During the quarter, the Company has filed the Scheme with NCLT.  
  
Pending regulatory approvals and other compliances, the financial results of the Company does not incorporate impact of the Scheme. Expenses related to the Scheme have been recognized as an exceptional item in the consolidated financial results. The above results for the quarter ended June 30, 2022 includes revenue from operations of Rs. 3,125.68 Million from CLO Business Undertaking.
- During the financial year 2019-20, the Group decided to divest NIIT Learning Systems Limited (NLSL) [Formerly known as Mindchampion Learning Systems Limited], to a strategic or financial investor. Therefore, as per provisions of Ind AS 105 - 'Non-current assets held for sale and Discontinued Operations', the results of NLSL were classified as loss from discontinued operations.  
  
The Board of Directors in its meeting held on January 28, 2022 decided not to pursue the process of divestment of NLSL and leverage its assets and resources of the company for its offerings in the education sector and house the CLO Business Undertaking under the Scheme as stated in note 6 above. Consequently, as per Ind AS 105, the revenue and expenses of NLSL's operations have been reclassified as continuing operations for the quarter ended June 30, 2021.
- The Holding Company on February 19, 2020 had approved the proposal of voluntary liquidation as shareholder of NIIT Institute of Process Excellence Limited (NIPE), wholly owned subsidiary, in accordance with applicable laws, as recommended by the board of directors of the subsidiary. The voluntary liquidation of NIPE is in progress.
- The Group decided not to pursue new skills contracts and decided to discontinue operations post completion of continuing commitments transferred from NIIT Yuva Jyoti Limited during financial year 2019-20. Accordingly as per provisions of Ind AS 105 - 'Non-current assets held for sale and Discontinued Operations', the net results of such operations i.e. revenue minus expenses (including provisions for claims relating to government projects) have been disclosed separately as loss from discontinued operations.
- The Group acquired 70% stake in RPS Consulting Private Limited ("RPS") and the financial performance of RPS has been consolidated from the date of acquisition i.e. October 1, 2021. Accordingly, the results of the current quarter are not comparable with the corresponding quarter ended June, 30 2021.
- 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.
- The figures for the preceding quarter are the balancing figures between audited figures in respect of the full financial year up to March 31, 2022 and the unaudited published year-to-date figures up to December 31, 2021, being the date of the end of the third quarter of the financial year which were subjected to limited review.
- Previous period/ year figures have been regrouped/ reclassified, to conform to current quarter's classification, wherever required.

Place : Gurugram  
 Date : July 28, 2022



By order of the Board  
 For NIIT Limited  
  
 Vijay K Thadani  
 Vice-Chairman & Managing Director



**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 Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**Review Report to  
The Board of Directors  
NIIT Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of NIIT Limited (the "Company") for the quarter ended June 30, 2022 and year to date from April 01, 2022 to June 30, 2022 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

  
Sanjay Bachchani  
Partner  
Membership No.: 400419  
UDIN: 22400419ANTKHD4488



Place Gurugram  
Date July 28, 2022

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Statement of Unaudited Financial Results for the quarter ended June 30, 2022

(Rs. in Millions, except per share data)

Standalone Financial Results				
Particulars	3 months ended June 30, 2022	Preceding 3 months ended March 31, 2022	Corresponding 3 months ended June 30, 2021	Previous year ended March 31, 2022
	Unaudited	Audited (Refer note 10)	Unaudited	Audited
(1)	(2)	(3)	(4)	(5)
1 Income				
a) Revenue from operations	1,374.08	1,186.43	941.88	4,451.90
b) Other income	154.43	601.89	214.10	1,533.04
<b>Total income</b>	<b>1,528.51</b>	<b>1,788.32</b>	<b>1,155.98</b>	<b>5,984.94</b>
2 Expenses				
a) Purchase of stock-in-trade	0.25	0.96	0.39	3.45
b) Changes in inventories of stock-in-trade	-	-	0.01	0.26
c) Employee benefits expenses	737.26	641.03	549.56	2,428.15
d) Professional & technical outsourcing expenses	373.05	317.00	250.25	1,147.01
e) Finance Costs	2.33	2.08	2.79	9.35
f) Depreciation and amortisation expenses	49.14	62.04	54.05	211.37
g) Other expenses	255.89	235.44	136.41	749.21
<b>Total expenses</b>	<b>1,417.92</b>	<b>1,298.55</b>	<b>993.46</b>	<b>4,548.80</b>
3 Profit before Exceptional Items and Tax (1-2)	110.59	529.77	162.52	1,436.14
4 Exceptional items (net) (Refer note 4)	(5.25)	(14.85)	-	(23.35)
5 Profit before tax (3+4)	105.34	514.92	162.52	1,412.79
6 Tax expense				
-Current tax	44.53	(52.32)	37.55	61.71
-Deferred tax (credit) / charge	(34.59)	(141.56)	3.34	(111.01)
<b>Total tax expense</b>	<b>9.94</b>	<b>(193.88)</b>	<b>40.89</b>	<b>(49.30)</b>
7 Profit for the period / year from continuing operations (5-6)	95.40	708.80	121.63	1,462.09
8 Loss after tax from discontinued operations for the period / year (Refer note 8)	(15.28)	(1.28)	(27.86)	(38.92)
9 Profit for the period / year (7+8)	80.12	707.52	93.77	1,423.17
10 Other comprehensive (loss) / income (net of tax) for the period / year				
(i) Items that will not be reclassified to profit or loss	7.92	(32.35)	0.42	(50.03)
(ii) Items that will be reclassified to profit or loss	(15.71)	(9.23)	(6.64)	(1.46)
<b>Total (i+ii)</b>	<b>(7.79)</b>	<b>(41.58)</b>	<b>(6.22)</b>	<b>(51.49)</b>
11 Total comprehensive income for the period / year (9+10)	72.33	665.94	87.55	1,371.68
12 Paid-up equity share capital (face value of Rs. 2 each, fully paid)	268.14	267.74	265.64	267.74
13 Reserves excluding revaluation reserves				13,353.17
14 Earnings Per Share for Continuing Operations (In Rs.): (Face value of Rs. 2/-) (Not annualised for the quarter)				
- Basic	0.71	5.30	0.88	10.88
- Diluted	0.69	5.13	0.87	10.63
15 Loss Per Share for Discontinued Operations (In Rs.): (Face value of Rs. 2/-) (Not annualised for the quarter)				
- Basic	(0.11)	(0.01)	(0.20)	(0.29)
- Diluted	(0.11)	(0.01)	(0.20)	(0.29)
16 Earnings Per Share for Continuing and Discontinued Operations (In Rs.): (Face value of Rs. 2/-) (Not annualised for the quarter)				
- Basic	0.60	5.29	0.68	10.59
- Diluted	0.58	5.12	0.67	10.34



*(Handwritten signature)*



**NIIT Limited**

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**Notes to the Standalone Financial Results:-**

- The above results were reviewed by Audit Committee and approved by the Board of Directors at its meeting held on July 28, 2022.
- The standalone financial results have been prepared in accordance with applicable Indian Accounting Standards as prescribed under section 133 of the Companies Act 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and Amended Rules, 2016.
- During the quarter, under the Employee Stock Option Plan 2005 (ESOP-2005), 199,336 options were exercised and 6,989,558 options remained outstanding as on June 30, 2022.
- Exceptional items in Standalone Financial Results include the following:

(Rs. in Millions)

Particulars	3 months ended June 30, 2022	Preceding 3 months ended March 31, 2022	Corresponding 3 months ended June 30, 2021	Previous year ended March 31, 2022
	Unaudited	Audited (Refer note 10)	Unaudited	Audited
<b>Expenses :</b>				
Legal and Professional cost towards acquisition	(0.89)	(0.79)	-	(3.85)
Legal and Professional cost towards Scheme of Arrangement (Refer note 6)	(4.36)	(14.06)	-	(19.50)
<b>Total</b>	<b>(5.25)</b>	<b>(14.85)</b>	<b>-</b>	<b>(23.35)</b>

5 The Company provides Education & Training Services as a single segment. Its operations and performance are viewed and evaluated by management as a single unit i.e. Learning Business. Therefore, the business of the Company is considered as Single Segment in the context of Ind AS 108 - 'Operating Segments'.

6 The Board of Directors of the Company, in its meeting held on January 28, 2022 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. During the quarter, the Company has filed the Scheme with NCLT.

Pending regulatory approvals and other compliances, the financial results of the Company does not incorporate impact of the Scheme. Expenses related to the Scheme have been recognised as an exceptional item in the standalone financial results. The above results for the quarter ended June 30, 2022 includes revenue from operations of Rs. 928.81 Million from CLG Business Undertaking.

7 The Company on February 19, 2020 had approved the proposal of voluntary liquidation as shareholder of NIIT Institute of Process Excellence Limited (NIPE) wholly owned subsidiary, in accordance with applicable laws, as recommended by the board of directors of the subsidiary. The voluntary liquidation of NIPE is in progress.

8 The Company decided not to pursue new skills contracts and decided to discontinue operations post completion of continuing commitments transferred from NIIT Yuva Jyoti Limited during the financial year 2019-20. Accordingly as per provisions of Ind AS 105 - 'Non-current assets held for sale and Discontinued Operations', the net results of such operations i.e. revenue minus expenses (including provision for claims relating to government projects) have been disclosed separately as loss from discontinued operations.

9 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.

10 The figures for the preceding quarter are the balancing figures between audited figures in respect of the full financial year up to March 31, 2022 and the unaudited published year-to-date figures up to December 31, 2021, being the date of the end of the third quarter of the financial year which were subjected to limited review.

11 Previous period/ year figures have been regrouped/ reclassified, to conform to current quarter's classification, wherever required.



Place: Gurgaon  
 Date : July 28, 2022

By order of the Board  
 For NIIT Limited  
  
 Vijay K Thadani  
 Vice-Chairman & Managing Director



2



**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.

**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.
- 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;
  - (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

Sd/-

per **Sanjay Bachchani**

Partner

Membership Number: 400419

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.  
  
(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.
- (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.
- (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

Sd/-

**per Sanjay Bachchani**

Partner

Membership Number: 400419

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 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 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 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

**Sd/-**

**per Sanjay Bachchani**

Partner

Membership Number: 400419

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	March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	54.37	321.83
Intangible assets	4	-	0.04
Right-of-use assets	5(ii)	316.77	177.53
<b>Financial assets</b>			
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
<b>Total non-current assets</b>		<b>41,764.98</b>	<b>21,466.71</b>
<b>Current assets</b>			
Inventories	9	5,418.35	17,195.13
<b>Financial assets</b>			
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
<b>Total current assets</b>		<b>119,286.32</b>	<b>158,583.49</b>
<b>TOTAL ASSETS</b>		<b>161,051.30</b>	<b>180,050.20</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	11	1,155,640.72	1,155,640.72
<b>Other equity</b>			
Reserves and surplus	12(i)	(1,275,056.86)	(1,270,654.27)
Other reserves	12(ii)	142,717.18	142,717.18
<b>TOTAL EQUITY</b>		<b>23,301.04</b>	<b>27,703.63</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Other non-current liabilities	15	-	5.21
<b>Total non-current liabilities</b>		<b>-</b>	<b>5.21</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Lease Liabilities	5(ii)	317.97	183.69
<b>Trade payables</b>			
(a) Total outstanding dues of micro enterprises and small enterprises	13(i)	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
<b>Total current liabilities</b>		<b>137,750.26</b>	<b>152,341.36</b>
<b>TOTAL LIABILITIES</b>		<b>137,750.26</b>	<b>152,346.57</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>161,051.30</b>	<b>180,050.20</b>

The accompanying notes form an integral part of these financial statements.  
As per our report of even date.

**For S.R. Battiboi & Associates LLP**  
Chartered Accountants  
Firm Registration No: 101049W/E300004

**For and on behalf of the Board of Directors of**  
**NIIT Learning Systems Limited**  
(Formerly Known as Mindchampion Learning Systems Limited)

**Sanjay Bachhani**  
Partner  
Membership No. 400419

**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

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	March 31, 2021
<b>Income</b>			
Revenue from operations	16	91,121.85	130,245.37
Other income	17	15,939.74	15,564.61
<b>Total Income</b>		<b>107,061.59</b>	<b>145,809.98</b>
<b>Expenses</b>			
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
<b>Total Expenses</b>		<b>111,317.16</b>	<b>264,514.92</b>
<b>Loss before exceptional items and tax</b>		<b>(4,255.57)</b>	<b>(118,704.94)</b>
Exceptional items (net)	22	(295.00)	(41,764.94)
<b>Loss before Tax</b>		<b>(4,550.57)</b>	<b>(160,469.88)</b>
<b>Income tax expense:</b>	23		
Current tax		271.02	774.94
<b>Total Tax Expenses</b>		<b>271.02</b>	<b>774.94</b>
<b>Loss for the year</b>		<b>(4,821.59)</b>	<b>(161,244.82)</b>
<b>Other comprehensive income</b>			
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		-	-
<b>Total other comprehensive income for the year, net of tax</b>		<b>419.00</b>	<b>5,754.00</b>
<b>Total comprehensive loss for the year</b>		<b>(4,402.59)</b>	<b>(155,490.82)</b>
<b>Loss per equity share</b>	27		
(Face Value Rs. 10/- each):			
-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

**For and on behalf of the Board of Directors of**  
**NIIT Learning Systems Limited**  
(Formerly Known as Mindchampion Learning Systems Limited)

**Sanjay Bachchani**  
Partner  
Membership No. 400419

**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

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		
<b>Balance at April 1, 2020</b>	<b>69,064,072</b>	<b>690,640.72</b>
Issue of equity share capital	46,500,000	465,000.00
<b>Balance at March 31, 2021</b>	<b>115,564,072</b>	<b>1,155,640.72</b>
<b>Balance at April 1, 2021</b>	<b>115,564,072</b>	<b>1,155,640.72</b>
Issue of equity share capital	-	-
<b>Balance at March 31, 2022</b>	<b>115,564,072</b>	<b>1,155,640.72</b>

**b) Other Equity**

	Reserves and surplus		Other reserves	Total
	Securities premium	Retained earnings		
<b>Balance as at April 1, 2020</b>	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)
<b>Total Comprehensive loss for the year</b>	<b>-</b>	<b>(155,490.82)</b>	<b>(3,600.00)</b>	<b>(159,090.82)</b>
<b>Balance as at March 31, 2021</b>	<b>20,000.00</b>	<b>(1,290,654.27)</b>	<b>142,717.18</b>	<b>(1,127,937.09)</b>
<b>Balance as at April 1, 2021</b>	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
<b>Total Comprehensive loss for the year</b>	<b>-</b>	<b>(4,402.59)</b>	<b>-</b>	<b>(4,402.59)</b>
<b>Balance as at March 31, 2022</b>	<b>20,000.00</b>	<b>(1,295,056.86)</b>	<b>142,717.18</b>	<b>(1,132,339.68)</b>

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**  
 (Formerly Known as Mindchampion Learning Systems Limited)

**Sanjay Bachchani**  
 Partner  
 Membership No. 400419

**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

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	March 31, 2021
<b>A. Cash Flow From Operating Activities:</b>		
<b>Loss before exceptional items and tax</b>	<b>(4,255.57)</b>	<b>(118,704.94)</b>
<b>Adjustments to reconcile loss before tax to net cash flows:</b>		
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)
	<b>(16,790.27)</b>	<b>(78,480.08)</b>
<b>Operating loss before working capital changes</b>		
<b>Working Capital Adjustments:</b>		
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
	<b>15,679.38</b>	<b>(120,065.75)</b>
<b>Net Cash generated from / (used in) operations before tax</b>		
Direct Tax- (paid including TDS) / refund received (Net)	(444.50)	22,289.26
<b>Net Cash flow generated from / (used in) operating activities (A)</b>	<b>15,234.88</b>	<b>(97,776.49)</b>
<b>B. Cash Flow From Investing Activities:</b>		
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
<b>Net cash flow used in investing activities (B)</b>	<b>(30,101.38)</b>	<b>(47,796.31)</b>

**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
<b>C. Cash Flow From Financing Activities:</b>		
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)
<b>Net Cash flow (used in) /generated from financing activities ( C )</b>	<b>(262.28)</b>	<b>142,663.27</b>
<b>Net Decrease in Cash &amp; Cash Equivalents (A) + (B) + (C )</b>	<b>(15,128.78)</b>	<b>(2,909.53)</b>
Cash and Cash Equivalents at the beginning of the financial year	16,451.26	19,360.79
<b>Cash and Cash Equivalents as at the end of the financial year</b>	<b>1,322.48</b>	<b>16,451.26</b>

**Reconciliation of cash and cash equivalents as per the cash flow statement**

1 Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Composition of Cash and cash equivalents included in the statement of cash flows comprise of the following balance sheet amounts:</b>		
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
<b>Total</b>	<b>1,322.48</b>	<b>16,451.26</b>

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

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

(Formerly Known as Mindchampion Learning Systems Limited)

**Sanjay Bachchani**

Partner

Membership No. 400419

**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

Place: Gurugram

Date: May 14, 2022

**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.



**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**

**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.

**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**

**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 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 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.

**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**

**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) 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.

**NIIT LEARNING SYSTEMS LIMITED**  
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**CIN: U72200HR2001PLC099478**

**Notes to the Financial Statements for the year ended March 31, 2022**

**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:

<b>Description of Assets</b>	<b>Useful life</b>
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 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).

**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, development 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:

<b>Particulars</b>	<b>Useful lives</b>
Internally generated (Content and products)	
- School based non-IT content	10 years
- Others	3-5 years
Acquired (Software, content and products)	3-5 years

**NIIT LEARNING SYSTEMS LIMITED**  
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**CIN: U72200HR2001PLC099478**  
**Notes to the Financial Statements for the year ended March 31, 2022**

**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 Companies 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.

**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**

**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 its 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.

**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**

**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.

**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**

**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
<b>Year end March 31, 2021</b>					
<b>Gross carrying amount</b>					
Gross carrying amount as on April 01, 2020	16,248.58	520.49	778.18	13.20	<b>17,560.45</b>
Additions	5.07	-	-	-	<b>5.07</b>
Disposals/Sale	10,423.68	272.41	520.86	13.20	<b>11,230.15</b>
<b>Closing Gross Carrying Amount (A)</b>	<b>5,829.97</b>	<b>248.08</b>	<b>257.32</b>	<b>-</b>	<b>6,335.37</b>
<b>Accumulated Depreciation</b>					
Accumulated depreciation as on April 01, 2020	14,972.44	370.96	736.79	13.18	<b>16,093.37</b>
Transfer	-	82.70	(82.70)	-	<b>-</b>
Depreciation charged during the year	826.42	66.82	30.25	-	<b>923.49</b>
Disposals/Sale	10,225.62	272.40	492.12	13.18	<b>11,003.32</b>
<b>Closing accumulated depreciation (B)</b>	<b>5,573.24</b>	<b>248.08</b>	<b>192.22</b>	<b>-</b>	<b>6,013.54</b>
<b>Net Carrying Amount (A-B)</b>	<b>256.73</b>	<b>0.00</b>	<b>65.10</b>	<b>-</b>	<b>321.83</b>
* Assets with Book Value of Rs. 1/-					
<b>Year end March 31, 2022</b>					
<b>Grossing Carrying amount</b>					
Gross carrying amount as on April 01, 2021	5,829.97	248.08	257.32	-	<b>6,335.37</b>
Additions	9.38	-	-	-	<b>9.38</b>
Disposals/Sale	705.65	-	257.32	-	<b>962.97</b>
<b>Closing Gross Carrying Amount (C)</b>	<b>5,133.70</b>	<b>248.08</b>	<b>-</b>	<b>-</b>	<b>5,381.78</b>
<b>Accumulated Depreciation</b>					
Accumulated depreciation as on April 01, 2021	5,573.24	248.08	192.22	-	<b>6,013.54</b>
Depreciation charged during the year	211.61	-	17.26	-	<b>228.87</b>
Disposals/Sale	705.52	0.00	209.48	-	<b>915.00</b>
<b>Closing accumulated depreciation (D)</b>	<b>5,079.33</b>	<b>248.08</b>	<b>-</b>	<b>-</b>	<b>5,327.41</b>
<b>Net Carrying Amount (C-D)</b>	<b>54.37</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54.37</b>

**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
<b>Year end March 31, 2021</b>					
<b>Gross carrying amount</b>					
Gross carrying amount as on April 01, 2020	148,615.86	3,350.84	<b>151,966.70</b>	9,334.81	<b>161,301.51</b>
Additions	10,016.33	-	<b>10,016.33</b>	681.52	<b>10,697.85</b>
Transfer	-	-	-	(10,016.33)	<b>(10,016.33)</b>
Disposals	-	592.26	<b>592.26</b>	-	<b>592.26</b>
<b>Closing gross carrying amount (A)</b>	<b>158,632.19</b>	<b>2,758.58</b>	<b>161,390.77</b>	<b>-</b>	<b>161,390.77</b>
<b>Accumulated Amortisation and Impairment</b>					
Accumulated amortization as on April 01, 2020	128,596.51	3,350.56	<b>131,947.07</b>	-	<b>131,947.07</b>
Amortisation charge for the year	6,673.31	-	<b>6,673.31</b>	-	<b>6,673.31</b>
Disposals	-	591.99	<b>591.99</b>	-	<b>591.99</b>
Amortisation charged in exceptional items (Refer note 22)	23,362.34	-	<b>23,362.34</b>	-	<b>23,362.34</b>
<b>Closing accumulated amortisation (B)</b>	<b>158,632.16</b>	<b>2,758.57</b>	<b>161,390.73</b>	<b>-</b>	<b>162,574.71</b>
<b>Net carrying amount (A-B)</b>	<b>0.03</b>	<b>0.01</b>	<b>0.04</b>	<b>-</b>	<b>0.04</b>
<b>Year end March 31, 2022</b>					
<b>Gross carrying amount</b>					
Gross carrying amount as on April 01, 2021	158,632.19	2,758.58	<b>161,390.77</b>	-	<b>161,391.77</b>
Additions	-	-	-	-	<b>-</b>
Transfer	-	-	-	-	<b>-</b>
Disposals	-	-	-	-	<b>-</b>
<b>Closing gross carrying amount (C)</b>	<b>158,632.19</b>	<b>2,758.58</b>	<b>161,390.77</b>	<b>-</b>	<b>161,390.77</b>
<b>Accumulated Amortisation and Impairment</b>					
Accumulated amortization as on April 01, 2021	158,632.16	2,758.57	<b>161,390.73</b>	-	<b>161,390.73</b>
Amortisation charge for the year	0.03	0.01	<b>0.04</b>	-	<b>0.04</b>
Disposals	-	-	-	-	<b>-</b>
<b>Closing accumulated amortisation (D)</b>	<b>158,632.19</b>	<b>2,758.58</b>	<b>161,390.77</b>	<b>-</b>	<b>161,390.77</b>
<b>Net carrying amount (C-D)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Footnote:**

(i) Refer note 6 for cost incurred during the year on internally generated intangible assets.

**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)

**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
<b>Total</b>	<b>1,477.04</b>	<b>6,342.54</b>

\* includes payment in respect 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
<b>As at April 1, 2020</b>	<b>515.20</b>	<b>515.20</b>
Additions	443.83	443.83
Deletion	(272.69)	(272.69)
Depreciation	(508.81)	(508.81)
<b>As at March 31, 2021</b>	<b>177.53</b>	<b>177.53</b>
Additions/Modification	343.17	343.17
Depreciation	(203.93)	(203.93)
<b>As at March 31, 2022</b>	<b>316.77</b>	<b>316.77</b>

**The following are the carrying amount of Lease liabilities and movement:-**

Particulars	Vehicle	Total
<b>As at April 1, 2020</b>	<b>536.29</b>	<b>536.29</b>
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)
<b>As at March 31, 2021</b>	<b>183.69</b>	<b>183.69</b>
Additions	343.17	343.17
Accretion of interest (Refer note 19)	7.63	7.63
Payments	(216.52)	(216.52)
<b>As at March 31, 2022</b>	<b>317.97</b>	<b>317.97</b>

**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	-	-
<b>Total</b>	<b>317.97</b>	<b>183.69</b>

**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)
<b>Total</b>	<b>211.56</b>	<b>531.32</b>

**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	-	-
<b>Total</b>	<b>317.97</b>	<b>183.69</b>

**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
<b>Add-Expenditure during the year</b>		
Salary and other Employee Benefits	-	681.34
Other expenses	-	0.18
Less:-Intangible assets capitalised during the year	-	(10,016.33)
<b>Closing Balance at the end of the year</b>	<b>-</b>	<b>-</b>

**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)

7 Financial Assets

7(i) Current Investment carried at Fair Value through profit or loss

Investment [Quoted]	As at	
	March 31, 2022	March 31, 2021
Mutual Funds	68,820.08	46,929.05
<b>Total</b>	<b>68,820.08</b>	<b>46,929.05</b>
<b>Aggregate value of Quoted investments</b>	<b>68,820.08</b>	<b>46,929.05</b>
<b>Market value of Quoted investments</b>	<b>68,820.08</b>	<b>46,929.05</b>

7(ii) Trade Receivables

	As at			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non-Current		Current	
<b>Unsecured, considered good*</b>				
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)
<b>Total</b>	<b>-</b>	<b>68.75</b>	<b>35,025.01</b>	<b>59,214.11</b>

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					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
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
<b>Total</b>	<b>8,290.00</b>	<b>9,570.00</b>	<b>920.00</b>	<b>13,260.00</b>	<b>26,720.00</b>	<b>169,646.86</b>	<b>228,406.86</b>
Less: Allowance for expected credit loss	-	-	-	-	-	-	(193,381.85)
<b>Total</b>	<b>8,290.00</b>	<b>9,570.00</b>	<b>920.00</b>	<b>13,260.00</b>	<b>26,720.00</b>	<b>169,646.86</b>	<b>35,025.01</b>

As at March 31, 2021

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	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	7,900.00	28,140.00	21,370.00	139,286.55	201,196.55
<b>Total</b>	<b>8,658.75</b>	<b>22,340.00</b>	<b>15,580.00</b>	<b>39,540.00</b>	<b>22,790.00</b>	<b>151,570.66</b>	<b>260,479.41</b>
Less: Allowance for expected credit loss	-	-	-	-	-	-	(201,196.55)
<b>Total</b>	<b>8,658.75</b>	<b>22,340.00</b>	<b>15,580.00</b>	<b>39,540.00</b>	<b>22,790.00</b>	<b>151,570.66</b>	<b>59,282.86</b>

7(iii) Other Financial Assets

	As at			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non-Current		Current	
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)
<b>(A)</b>	<b>-</b>	<b>-</b>	<b>145.00</b>	<b>145.00</b>
b) Contract Assets				
Unbilled Revenue (Refer note 31)	-	-	1,144.70	1,082.20
<b>(B)</b>	<b>-</b>	<b>-</b>	<b>1,144.70</b>	<b>1,082.20</b>
c) Interest Accrued on bank deposits				
			311.65	-
<b>(C)</b>	<b>-</b>	<b>-</b>	<b>311.65</b>	<b>-</b>
d) Bank deposits				
With remaining maturity of more than 12 months*			20,010.15	-
With remaining maturity of less than 12 months**			-	230.04
<b>(D)</b>	<b>-</b>	<b>-</b>	<b>20,010.15</b>	<b>230.04</b>
<b>Total (A+B+C+D)</b>	<b>20,321.80</b>	<b>-</b>	<b>1,289.70</b>	<b>1,562.28</b>

\*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					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Unbilled revenue - Considered Good	-	281.24	863.46	-	-	-	1,144.70
<b>Total</b>	<b>-</b>	<b>281.24</b>	<b>863.46</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,144.70</b>

As at March 31, 2021

Particulars	Not due	Outstanding for following periods from transactions date					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Unbilled revenue - Considered Good	-	249.85	832.35	-	-	-	1,082.20
<b>Total</b>	<b>-</b>	<b>249.85</b>	<b>832.35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,082.20</b>

**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)

7(iv) Cash and Cash Equivalents	As at	
	March 31, 2022	March 31, 2021
<b>Balance with banks</b>		
-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
<b>Total</b>	<b>1,322.48</b>	<b>16,451.26</b>

\*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	March 31, 2021
Bank deposits		
-With original maturity of more than 3 months and upto 12 months	-	7,000.00
<b>Total</b>	<b>-</b>	<b>7,000.00</b>

8 Income tax assets	As at	
	March 31, 2022	March 31, 2021
Advance Income Tax	27,209.50	27,036.02
Less : Provision for Income Tax	(6,137.46)	(6,137.46)
	<b>21,072.04</b>	<b>20,898.56</b>

9 Inventories (Valued at lower of cost or net realisable value)	As at	
	March 31, 2022	March 31, 2021
<b>As at the end of the year</b>		
Traded Goods		
a) Education and Training Material	3,272.98	12,230.17
b) Software	2,145.37	4,964.96
	<b>5,418.35</b>	<b>17,195.13</b>
<b>As at the beginning of the year</b>		
Traded Goods		
a) Education and Training Material	12,230.17	36,117.62
b) Software	4,964.96	5,139.44
	<b>17,195.13</b>	<b>41,257.06</b>
Provision for Inventory#	-	(14,951.88)
<b>Decrease in Inventory*</b>	<b>11,776.78</b>	<b>9,110.05</b>

\* 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	March 31, 2021
	<b>Current</b>	
<b>i) Advances to Suppliers in cash or in kind</b>		
Unsecured, considered good	3,637.23	5,441.17
(A)	<b>3,637.23</b>	<b>5,441.17</b>
<b>ii) Prepaid Expenses</b>	1,219.71	1,442.52
(B)	<b>1,219.71</b>	<b>1,442.52</b>
<b>iii) Other Advances recoverable in cash or in kind</b>		
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)	<b>2,553.76</b>	<b>3,347.97</b>
<b>Total other assets (A+B+C)</b>	<b>7,410.70</b>	<b>10,231.66</b>

**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)

**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)
<b>As at March 31, 2021</b>	<b>120,000,000</b>	<b>1,200,000.00</b>	<b>-</b>	<b>-</b>
Increase during the year	-	-	-	-
<b>As at March 31, 2022</b>	<b>120,000,000</b>	<b>1,200,000.00</b>	<b>-</b>	<b>-</b>

**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
<b>As at March 31, 2021</b>	<b>115,564,072</b>	<b>1,155,640.72</b>
Issued during the year	-	-
<b>As at March 31, 2022</b>	<b>115,564,072</b>	<b>1,155,640.72</b>

**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%
<b>Total</b>	<b>115,564,072</b>	<b>100%</b>	<b>115,564,072</b>	<b>100%</b>

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%
<b>Total</b>		<b>115,564,072</b>	<b>-</b>	<b>115,564,072</b>	<b>100%</b>	<b>0%</b>

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%
<b>Total</b>		<b>69,064,072</b>	<b>46,500,000</b>	<b>115,564,072</b>	<b>100%</b>	<b>67%</b>

**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)

12 Other Equity	As at	
	March 31, 2022	March 31, 2021
<b>Reserves and Surplus [Refer note 12(i)]</b>		
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
<b>Total reserves and surplus</b>	<b>(1,132,339.68)</b>	<b>(1,127,937.09)</b>

12(i) Reserves and Surplus	As at	
	March 31, 2022	March 31, 2021
<b>a) Securities Premium [Refer footnote (i)]</b>		
Balance at the beginning of the year	20,000.00	20,000.00
<b>Balance at the end of the year (A)</b>	<b>20,000.00</b>	<b>20,000.00</b>
<b>b) Retained Earnings</b>		
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
<b>Balance at the end of the year (B)</b>	<b>(1,295,056.86)</b>	<b>(1,290,654.27)</b>
<b>Total Reserves and Surplus ( C ) = (A+B)</b>	<b>(1,275,056.86)</b>	<b>(1,270,654.27)</b>

12(ii) Other Reserves	As at	
	March 31, 2022	March 31, 2021
<b>a) Other equity [Refer footnote (ii)]</b>		
Balance at the beginning of the year	142,717.18	146,317.18
Expenses for issue of equity share capital	-	(3,600.00)
<b>Balance at the end of the year (D)</b>	<b>142,717.18</b>	<b>142,717.18</b>
<b>Total Other Equity (C+D)</b>	<b>(1,132,339.68)</b>	<b>(1,127,937.09)</b>

**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).

**NIIT LEARNING SYSTEMS LIMITED**  
(Formerly Known as Mindchampion Learning Systems Limited)  
CIN: U7200HR2001PLC099478

Notes to the Financial Statements for the year ended March 31, 2022

(All amounts in Rs. thousands, unless stated otherwise)

**13 Financial Liabilities**

**13(i) Trade Payables**

Total outstanding dues of Creditors other than Micro enterprises & small enterprises  
Total outstanding dues of micro enterprises and small enterprises  
Trade payables to related parties (Refer note 28)  
**Total trade payables**

As at	
March 31, 2022	March 31, 2021
98,356.35	104,318.67
87.64	-
6,839.55	4,263.96
<b>105,283.54</b>	<b>108,582.63</b>

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
<b>Total</b>	<b>11,600.06</b>	<b>636.16</b>	<b>289.46</b>	<b>15.59</b>	<b>14,822.06</b>	<b>27,363.33</b>
Add: Unbilled dues						77,920.21
<b>Total trade payables</b>						<b>105,283.54</b>

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
<b>Total</b>	<b>7,350.96</b>	<b>5,761.23</b>	<b>1,082.89</b>	<b>-</b>	<b>14,822.06</b>	<b>29,017.15</b>
Add: Unbilled dues						79,565.48
<b>Total trade payables</b>						<b>108,582.63</b>

**13(ii) Other Financial Liabilities**

Other Payables \*  
**Total other financial liabilities**

As at	
March 31, 2022	March 31, 2021
8,696.75	11,624.31
<b>8,696.75</b>	<b>11,624.31</b>

\* 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**

**Provision for Employee Benefits :**  
Provision for Gratuity (Refer note 26)  
Provision for Compensated Absences  
**Total Provision**

As at	
March 31, 2022	March 31, 2021
3,772.51	6,948.71
2,795.00	3,187.00
<b>6,567.51</b>	<b>10,135.71</b>

**15 Other Liabilities**

**Contract Liabilities (Refer note 31)**  
-Deferred Revenue  
-Advances from Customers  
Statutory Dues\*  
**Total other liabilities**

As at			
March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Non-current		Current	
-	5.21	1,769.40	3,744.18
-	-	5,888.55	9,546.41
-	-	9,226.54	8,524.43
<b>-</b>	<b>5.21</b>	<b>16,884.49</b>	<b>21,815.02</b>

\* Statutory Dues mainly includes withholding tax, Goods and service tax and Contribution to Provident fund etc.

**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)

<b>16 Revenue From Operations (Refer note 31)</b>	<b>Year ended</b>	
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
<b>Sale of Products :</b>		
-Courseware and Training Material	26,628.79	42,678.07
-Hardware & Accessories	1,592.87	6,802.63
<b>Sale of Services</b>	62,900.19	80,764.67
	<b>91,121.85</b>	<b>130,245.37</b>

<b>17 Other Income</b>	<b>Year ended</b>	
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
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
	<b>15,939.74</b>	<b>15,564.61</b>

<b>18 Employee Benefits Expenses#</b>	<b>Year ended</b>	
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
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
	<b>65,948.20</b>	<b>145,467.20</b>

# 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.

<b>19 Finance Costs</b>	<b>Year ended</b>	
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
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
	<b>53.39</b>	<b>17,913.64</b>

\* Includes interest paid to Holding company (Refer note 28).



**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)

	Year ended	
	March 31, 2022	March 31, 2021
<b>20 Other Expenses*</b>		
Equipment Hiring [Refer note 5(i)]	38.23	86.89
Freight and Cartage	2,909.39	3,631.50
Rent [Refer note 5(ii)]	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	<u>(29.79)</u>	<u>(278.03)</u>
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
	<b>14,150.30</b>	<b>56,861.26</b>

\* Net of Rs. Nil (Previous year Rs. 0.18 thousands) capitalized in intangible assets (Refer note 6).

	Year ended	
	March 31, 2022	March 31, 2021
<b>21 Payment To Auditors (included in legal and professional fees and exceptional)</b>		
As Auditor		
- Audit Fee	523.80	523.80
- Certification Fee (Includes GST)	295.00	-
- Reimbursement of expenses	40.33	40.33
	<b>859.13</b>	<b>564.13</b>

	Year ended	
	March 31, 2022	March 31, 2021
<b>22 Exceptional Items</b>		
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)	-
<b>Total</b>	<b>(295.00)</b>	<b>(41,764.94)</b>

(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	
	March 31, 2022	March 31, 2021
<b>(a) Income tax expense</b>		
<b>Current tax</b>		
Write off Foreign tax credit	271.02	774.94
<b>Total current tax expense</b>	<b>271.02</b>	<b>774.94</b>
<b>Income tax expense</b>	<b>271.02</b>	<b>774.94</b>

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
<b>Total tax expenses</b>	<b>271.02</b>	<b>774.94</b>

**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)

**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
<b>Financial assets</b>				
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
<b>Total financial assets</b>	<b>68,820.08</b>	<b>57,958.99</b>	<b>46,929.05</b>	<b>84,296.40</b>
<b>Financial liabilities</b>				
Lease liabilities	-	317.97	-	183.69
Trade payables	-	105,283.54	-	108,582.63
Other financial liabilities	-	8,696.75	-	11,624.31
<b>Total financial liabilities</b>	<b>-</b>	<b>114,298.26</b>	<b>-</b>	<b>120,390.63</b>

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.

**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)

**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.
<b>Loss allowance as on April 01, 2020</b>	<b>173,623.93</b>
Add: Provision for Expected credit loss (Refer note 20)	24,121.90
Add: Additional provisional created through exceptional (Refer note 22)	3,450.72
<b>Loss allowance as on March 31, 2021</b>	<b>201,196.55</b>
Less: Reversal of provision for Expected credit loss (Refer note 17)	(7,814.70)
<b>Loss allowance as on March 31, 2022</b>	<b>193,381.85</b>

**(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
<b>Total non-derivative liabilities</b>	<b>114,298.26</b>	<b>-</b>	<b>-</b>	<b>114,298.26</b>

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
<b>Total non-derivative liabilities</b>	<b>120,390.63</b>	<b>-</b>	<b>-</b>	<b>120,390.63</b>

**(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
<b>Financial assets</b>		
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)
	<b>10.57</b>	<b>(10.57)</b>	<b>13.21</b>	<b>(13.21)</b>

\* Holding all other variables constant  
USD: United States Dollar

**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)

**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	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
<b>Total</b>	<b>1,283.95</b>	<b>3,703.64</b>

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:

Particulars	Year ended	
	March 31, 2022	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
<b>Total</b>	<b>351.50</b>	<b>442.98</b>

**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	March 31, 2021
<b>i) Change in Present value of Obligation:-</b>		
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
<b>Present value of obligation as at the year end</b>	<b>7,415.07</b>	<b>7,586.41</b>

**ii) Change in value of Plan Assets**

Particulars	As at	
	March 31, 2022	March 31, 2021
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)
<b>Fair value of Plan Assets as at the end of the year</b>	<b>3,642.56</b>	<b>637.70</b>

**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	March 31, 2021
Current service cost	983.00	2,262.00
Interest cost	307.66	682.41
<b>Expense recognised in the Statement of Profit and Loss</b>	<b>1,290.66</b>	<b>2,944.41</b>

Estimated contributions for the year ended on March 31, 2023 is Rs. 3,772.51 thousands (Previous year Rs. 6,948.71 thousands).

**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)

**v) Remeasurement (gain)/loss recognised through Other**

**Comprehensive Income:-**

Particulars	Year ended	
	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
<b>Gain recognised through other comprehensive Income</b>	<b>(419.00)</b>	<b>(5,754.00)</b>

**vi) Assumptions used in accounting for gratuity plan:-**

Particulars	As at	
	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.

**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)

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
<b>Total compensation</b>	<b>9,528.84</b>	<b>11,681.57</b>

**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.

**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

**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
<b>i) Trade Payables</b>				
March 31, 2022	6,839.55	-	-	6,839.55
March 31, 2021	(4,263.96)	-	-	(4,263.96)
<b>ii) Trade Receivables</b>				
March 31, 2022	9,464.38	-	-	9,464.38
March 31, 2021	(9,649.53)	(1,209.91)	-	(10,859.44)
<b>iii) Other Payables</b>				
March 31, 2022	-	-	37.00	37.00
March 31, 2021	-	-	(153.21)	(153.21)

Previous year figures are given in parenthesis.

**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)

**29 Contingent Liabilities and Commitments**

**A. Contingent Liabilities**

**a) Claims against the Company not acknowledged as debts:-**

	As at	
	March 31, 2022	March 31, 2021
Customers	589.32	-
Indirect tax	19,422.73	-
<b>Total</b>	<b>20,012.05</b>	<b>-</b>

**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)**

**a. Disaggregated revenue information**

**Type of Services**

	Year ended	
	March 31, 2022	March 31, 2021
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
	<b>91,121.85</b>	<b>130,245.37</b>

**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
	<b>91,121.85</b>	<b>130,245.37</b>

**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)
	<b>28,511.76</b>	<b>47,069.26</b>

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	March 31, 2021
Revenue as per contracted price	90,951.59	126,942.06
<b>Adjustments</b>		
(Reversal of sales return)(net)	(170.26)	(3,303.31)
	<b>91,121.85</b>	<b>130,245.37</b>

**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.



**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)

**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.

<b>Particulars</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Lease liabilities	317.97	183.69
<b>Total Debt (A)</b>	<b>317.97</b>	<b>183.69</b>
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)
<b>Total Equity (B)</b>	<b>23,301.04</b>	<b>27,703.63</b>
<b>Profit after Tax (C)</b>	<b>(4,821.59)</b>	<b>(161,244.82)</b>
Opening equity	27,703.63	21,794.46
Closing equity	23,301.04	27,703.63
<b>Average Shareholder's equity (D)</b>	<b>25,502.34</b>	<b>24,749.04</b>
<b>Debt equity ratio (A/B)</b>	<b>0.01</b>	<b>0.01</b>
<b>Return on equity Ratio (%) (C/D)</b>	<b>(18.91)%</b>	<b>(651.52)%</b>

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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)

**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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**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

viii) **Ratio Analysis and its elements**

(All amounts in Rs. thousands, unless stated otherwise)

<b>Ratios</b>	<b>Numerator</b>	<b>Denominator</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>	<b>% Change</b>	<b>Reasons for variance</b>
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**  
**(Formerly Known as Mindchampion Learning Systems Limited)**  
**CIN: U72200HR2001PLC099478**  
**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) (Holding Company) and NIIT Learning Systems Limited (Formerly known as Mindchampion Learning Systems Limited) (Transferee 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

**For and on behalf of the Board of Directors of  
 NIIT Learning Systems Limited**  
 (Formerly Known as Mindchampion Learning Systems Limited)

**Sanjay Bachhani**  
 Partner  
 Membership No. 400419

**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

Place: Gurugram  
 Date: May 14, 2022

**NIIT LEARNING SYSTEMS LIMITED**  
(Formerly Known as Mindchampion Learning Systems Limited)  
CIN: U72200HR2001PLC099478

**Unaudited Provisional Balance Sheet as at June 30, 2022**

(All amounts in Rs. thousands, unless stated otherwise)

	Notes	As at	
		June 30, 2022 (Unaudited)	March 31, 2022 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	1	22.26	54.37
Intangible assets	2	-	-
Right-of-use assets	3(ii)	237.58	316.77
Financial assets			
Other financial assets	4(iii)	20,611.09	20,321.80
Income Tax Assets (net)	5	21,980.49	21,072.04
<b>Total non-current assets</b>		<b>42,851.42</b>	<b>41,764.98</b>
<b>Current assets</b>			
Inventories	6	2,921.56	5,418.35
Financial assets			
Investments	4(i)	65,517.79	68,820.08
Trade receivables	4(ii)	22,533.09	35,025.01
Cash and cash equivalents	4(iv)	8,088.57	1,322.48
Bank balances other than above	4(v)	2,000.00	-
Other financial assets	4(iii)	7,806.40	1,289.70
Other current assets	7	6,878.30	7,410.70
<b>Total current assets</b>		<b>115,745.71</b>	<b>119,286.32</b>
<b>TOTAL ASSETS</b>		<b>158,597.13</b>	<b>161,051.30</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	8	1,155,640.72	1,155,640.72
Other equity			
Reserves and surplus	9(i)	(1,270,015.56)	(1,275,056.86)
Other reserves	9(ii)	142,717.18	142,717.18
<b>TOTAL EQUITY</b>		<b>28,342.34</b>	<b>23,301.04</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Financial liabilities			
Lease Liabilities	3(ii)	241.20	317.97
Trade payables	10(i)		
(a) Total outstanding dues of micro enterprises and small enterprises		32.04	87.64
(b) Total outstanding dues of Creditors other than Micro enterprises & small enterprises		93,668.52	105,195.90
Other financial liabilities	10(ii)	13,415.25	8,696.75
Provisions	11	7,482.68	6,567.51
Other current liabilities	12	15,415.10	16,884.49
<b>Total current liabilities</b>		<b>130,254.79</b>	<b>137,750.26</b>
<b>TOTAL LIABILITIES</b>		<b>130,254.79</b>	<b>137,750.26</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>158,597.13</b>	<b>161,051.30</b>

**NIIT LEARNING SYSTEMS LIMITED**  
(Formerly Known as Mindchampion Learning Systems Limited)  
CIN: U72200HR2001PLC099478

**Unaudited provisional Statement of Profit and Loss for the period ended June 30, 2022**

(All amounts in Rs. thousands, unless stated otherwise)

	Notes	Period ended	Year ended
		June 30, 2022 (Unaudited)	March 31, 2022 (Audited)
<b>Income</b>			
Revenue from operations	13	29,597.69	91,121.85
Other income	14	2,311.94	15,939.74
<b>Total Income</b>		<b>31,909.63</b>	<b>107,061.59</b>
<b>Expenses</b>			
Purchase of stock-in-trade		471.78	1,093.89
Changes in inventories of stock-in-trade	6	2,496.79	11,776.78
Professional & technical outsourcing expenses		4,329.91	17,861.76
Employee benefits expenses	15	16,423.44	65,948.20
Finance costs	16	6.76	53.39
Depreciation and amortisation expense	1, 2 & 3 (ii)	111.30	432.84
Other expenses	17	2,956.19	14,150.30
<b>Total Expenses</b>		<b>26,796.17</b>	<b>111,317.16</b>
<b>Profit /(Loss) before exceptional items and tax</b>		<b>5,113.46</b>	<b>(4,255.57)</b>
Exceptional items (net)	18	-	(295.00)
<b>Profit /(Loss) before Tax</b>		<b>5,113.46</b>	<b>(4,550.57)</b>
<b>Income tax expense:</b>	19		
Current tax		72.16	271.02
<b>Total Tax Expenses</b>		<b>72.16</b>	<b>271.02</b>
<b>Profit /(Loss) for the period</b>		<b>5,041.30</b>	<b>(4,821.59)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss			
a) Remeasurement of the defined benefit obligation		-	419.00
b) Income tax effect		-	-
<b>Total other comprehensive income for the period, net of tax</b>		<b>-</b>	<b>419.00</b>
<b>Total comprehensive income /(loss) for the period</b>		<b>5,041.30</b>	<b>(4,402.59)</b>
<b>Earning /(Loss) per equity share</b>			
<b>(Face Value Rs. 10/- each):</b>			
-Basic		0.04	(0.04)
-Diluted		0.04	(0.04)

**NIIT LEARNING SYSTEMS LIMITED**  
 (Formerly Known as Mindchampion Learning Systems Limited)  
 CIN: U72200HR2001PLC099478

**Unaudited Provisional Statement of changes in equity for the period ended June 30, 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		
<b>Balance at April 1, 2021</b>	<b>115,564,072</b>	<b>1,155,640.72</b>
Issue of equity share capital	-	-
<b>Balance at March 31, 2022</b>	<b>115,564,072</b>	<b>1,155,640.72</b>
<b>Balance at April 1, 2022</b>	<b>115,564,072</b>	<b>1,155,640.72</b>
Issue of equity share capital	-	-
<b>Balance at June 30, 2022</b>	<b>115,564,072</b>	<b>1,155,640.72</b>

**b) Other Equity**

	Reserves and surplus		Other reserves	Total
	Securities premium	Retained earnings		
<b>Balance as at April 1, 2021</b>	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
<b>Total Comprehensive loss for the year</b>	<b>-</b>	<b>(4,402.59)</b>	<b>-</b>	<b>(4,402.59)</b>
<b>Balance as at March 31, 2022</b>	<b>20,000.00</b>	<b>(1,295,056.86)</b>	<b>142,717.18</b>	<b>(1,132,339.68)</b>
<b>Balance as at April 1, 2022</b>	<b>20,000.00</b>	<b>(1,295,056.86)</b>	<b>142,717.18</b>	<b>(1,132,339.68)</b>
Loss for the year	-	5,041.30	-	5,041.30
<b>Total Comprehensive income for the period</b>	<b>-</b>	<b>5,041.30</b>	<b>-</b>	<b>5,041.30</b>
<b>Balance as at June 30, 2022</b>	<b>20,000.00</b>	<b>(1,290,015.56)</b>	<b>142,717.18</b>	<b>(1,127,298.38)</b>

**NIIT LEARNING SYSTEMS LIMITED**  
**(Formerly Known as Mindchampion Learning Systems Limited)**  
**CIN: U72200HR2001PLC099478**

**Unaudited provisional Statement of Cash Flow for the period ended June 30, 2022**

(All amounts in Rs. thousands, unless stated otherwise)

	<b>Period ended</b>	<b>Year ended</b>
	<b>June 30, 2022</b>	<b>March 31, 2022</b>
<b>A. Cash Flow From Operating Activities:</b>		
<b>Profit/(Loss) before exceptional items and tax</b>	<b>5,113.46</b>	<b>(4,255.57)</b>
<b>Adjustments to reconcile loss before tax to net cash flows:</b>		
Depreciation and amortisation	111.30	432.84
Allowance for doubtful debts (net of reversal)	(793.80)	(7,814.70)
Allowance for doubtful advances and deposits	-	49.59
Provision / Other Liabilities written back	-	(2,424.10)
Provision for slow/Non- moving Inventory (Net)	(510.62)	1,992.05
Unrealised foreign exchange (gain)/ loss	2.33	(85.99)
Finance cost	6.76	53.39
Interest income	(292.83)	(2,105.07)
Gain on sale of property, plant and equipment	-	(738.37)
Net gain on Investment carried at fair value through profit and loss	(697.97)	(1,894.34)
	<b>2,938.63</b>	<b>(16,790.27)</b>
<b>Operating profit/ (loss) before working capital changes</b>		
<b>Working Capital Adjustments:</b>		
Decrease in trade payables	(11,609.09)	(3,521.33)
Decrease in short term provisions	915.17	(3,149.20)
Decrease in other current liabilities	(1,469.39)	(2,506.43)
Decrease in other non-current liabilities	-	(5.21)
Decrease in other current financial liabilities	4,718.50	(2,927.56)
Decrease in current trade receivables	13,309.50	32,017.03
Decrease in non current trade receivables	-	68.75
Decrease in inventories	3,007.41	9,784.73
(Increase)/Decrease in other current financial assets	(6,513.16)	(62.50)
Decrease in other current assets	532.40	2,771.37
<b>Net Cash generated from operations before tax</b>	<b>5,829.97</b>	<b>15,679.38</b>
Direct Tax- (paid including TDS) / refund received (Net)	(980.61)	(444.50)
<b>Net Cash flow generated from operating activities (A)</b>	<b>4,849.36</b>	<b>15,234.88</b>
<b>B. Cash Flow From Investing Activities:</b>		
Purchase of property, plant and equipment (including capital work-in-progress, internally generated intangibles and capital advances)	-	(9.38)
Proceeds from sale of Property, Plant and Equipment	-	786.34
Interest received	-	1,898.46
Encashment of bank deposits (net of placement)	(2,000.00)	(12,780.11)
Purchase of Mutual Funds	(4,999.74)	(66,496.69)
Proceeds from sale of Mutual Funds	9,000.00	46,500.00
<b>Net cash flow generated from/ (used in) investing activities (B)</b>	<b>2,000.26</b>	<b>(30,101.38)</b>



**NIIT LEARNING SYSTEMS LIMITED**  
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**CIN: U72200HR2001PLC099478**  
**Unaudited provisional Statement of Cash Flow for the period ended June 30, 2022**

(All amounts in Rs. thousands, unless stated otherwise)

	<b>Period ended</b>	<b>Year ended</b>
	<b>June 30, 2022</b>	<b>March 31, 2022</b>
<b>C. Cash Flow From Financing Activities:</b>		
Interest paid on cash credit, borrowings and others	-	(45.76)
Payment of Lease Liabilities	(83.53)	(216.52)
<b>Net Cash flow used in financing activities ( C )</b>	<b>(83.53)</b>	<b>(262.28)</b>
<b>Net Increase /(Decrease) in Cash &amp; Cash Equivalents (A) + (B) + (C )</b>	<b>6,766.09</b>	<b>(15,128.78)</b>
Cash and Cash Equivalents at the beginning of the financial year	1,322.48	16,451.26
<b>Cash and Cash Equivalents as at the end of the period</b>	<b>8,088.57</b>	<b>1,322.48</b>

**Reconciliation of cash and cash equivalents as per the cash flow statement**

	<b>As at</b>	
<b>1 Particulars</b>	<b>June 30, 2022</b>	<b>March 31, 2022</b>
<b>Composition of Cash and cash equivalents included in the statement of cash flows comprise of the following balance sheet amounts:</b>		
Current accounts	8,088.57	1,322.48
<b>Total</b>	<b>8,088.57</b>	<b>1,322.48</b>

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.

**NIIT LEARNING SYSTEMS LIMITED**  
(Formerly Known as Mindchampion Learning Systems Limited)  
CIN: U72200HR2001PLC099478

Notes to the Unaudited Provisional Financial Statements for the period ended June 30, 2022

(All amounts in Rs. thousands, unless stated otherwise)

**1 Property, Plant and Equipment**

Particulars	Plant & Equipments	Leasehold Improvements	Furniture & Fixtures	Total tangible assets
<b>Year end March 31, 2022</b>				
<b>Gross carrying amount</b>				
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
<b>Closing Gross Carrying Amount (A)</b>	<b>5,133.70</b>	<b>248.08</b>	<b>-</b>	<b>5,381.78</b>
<b>Accumulated Depreciation</b>				
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
<b>Closing accumulated depreciation (B)</b>	<b>5,079.33</b>	<b>248.08</b>	<b>-</b>	<b>5,327.41</b>
<b>Net Carrying Amount (A-B)</b>	<b>54.37</b>	<b>-</b>	<b>-</b>	<b>54.37</b>
<b>Period end June 30, 2022</b>				
<b>Grossing Carrying amount</b>				
Gross carrying amount as on April 01, 2022	5,133.70	248.08	-	5,381.78
Additions	-	-	-	-
Disposals/Sale	-	-	-	-
<b>Closing Gross Carrying Amount (C)</b>	<b>5,133.70</b>	<b>248.08</b>	<b>-</b>	<b>5,381.78</b>
<b>Accumulated Depreciation</b>				
Accumulated depreciation as on April 01, 2022	5,079.33	248.08	-	5,327.41
Depreciation charged during the year	32.11	-	-	32.11
Disposals/Sale	-	-	-	-
<b>Closing accumulated depreciation (D)</b>	<b>5,111.44</b>	<b>248.08</b>	<b>-</b>	<b>5,359.52</b>
<b>Net Carrying Amount (C-D)</b>	<b>22.26</b>	<b>-</b>	<b>-</b>	<b>22.26</b>

**2 Intangible assets and intangible assets under development**

Particulars	Internally Generated	Software acquired	Total intangible assets
<b>Year end March 31, 2022</b>			
<b>Gross carrying amount</b>			
Gross carrying amount as on April 01, 2021	158,632.19	2,758.58	161,390.77
Additions	-	-	-
Disposals	-	-	-
<b>Closing gross carrying amount (A)</b>	<b>158,632.19</b>	<b>2,758.58</b>	<b>161,390.77</b>
<b>Accumulated Amortisation and Impairment</b>			
Accumulated amortization as on April 01, 2021	158,632.16	2,758.57	161,390.73
Amortisation charge for the year	0.03	0.01	0.04
Disposals	-	-	-
<b>Closing accumulated amortisation (B)</b>	<b>158,632.19</b>	<b>2,758.58</b>	<b>161,390.77</b>
<b>Net carrying amount (A-B)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Period end June 30, 2022</b>			
<b>Gross carrying amount</b>			
Gross carrying amount as on April 01, 2022	158,632.19	2,758.58	161,390.77
Additions	-	-	-
Disposals	-	-	-
<b>Closing gross carrying amount (C)</b>	<b>158,632.19</b>	<b>2,758.58</b>	<b>161,390.77</b>
<b>Accumulated Amortisation and Impairment</b>			
Accumulated amortization as on April 01, 2022	158,632.19	2,758.58	161,390.77
Amortisation charge for the year	-	-	-
Disposals	-	-	-
<b>Closing accumulated amortisation (D)</b>	<b>158,632.19</b>	<b>2,758.58</b>	<b>161,390.77</b>
<b>Net carrying amount (C-D)</b>	<b>-</b>	<b>-</b>	<b>-</b>

**NIIT LEARNING SYSTEMS LIMITED**  
 (Formerly Known as Mindchampion Learning Systems Limited)  
 CIN: U72200HR2001PLC099478

**Notes to the Unaudited Provisional Financial Statements for the period ended June 30, 2022**

(All amounts in Rs. thousands, unless stated otherwise)

**3 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 period under short term leases are as shown hereunder:

Particulars	Period ended	Year ended
	June 30, 2022	March 31, 2022
In respect of premises*	177.14	1,438.81
In respect of equipments**	-	38.23
<b>Total</b>	<b>177.14</b>	<b>1,477.04</b>

\* includes payment in respect 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
<b>As at April 1, 2021</b>	<b>177.53</b>	<b>177.53</b>
Additions	343.17	343.17
Depreciation	(203.93)	(203.93)
<b>As at March 31, 2022</b>	<b>316.77</b>	<b>316.77</b>
Depreciation	(79.19)	(79.19)
<b>As at June 30, 2022</b>	<b>237.58</b>	<b>237.58</b>

**The following are the carrying amount of Lease liabilities and movement:-**

Particulars	Vehicle	Total
<b>As at April 1, 2021</b>	<b>183.69</b>	<b>183.69</b>
Additions	343.17	343.17
Accretion of interest (Refer note 16)	7.63	7.63
Payments	(216.52)	(216.52)
<b>As at March 31, 2022</b>	<b>317.97</b>	<b>317.97</b>
Accretion of interest (Refer note 16)	6.76	6.76
Payments	(83.53)	(83.53)
<b>As at June 30, 2022</b>	<b>241.20</b>	<b>241.20</b>

**The following is the break-up of current and non-current lease liabilities**

Particulars	June 30, 2022	March 31, 2022
Current Lease liabilities	241.20	317.97
Non-Current Lease liabilities	-	-
<b>Total</b>	<b>241.20</b>	<b>317.97</b>

**The following are the amounts recognised in the statement of profit and loss:**

Particulars	June 30, 2022	March 31, 2022
Depreciation expense of right of use assets	79.19	203.93
Interest expense on Lease liabilities (Refer note 16)	6.76	7.63
<b>Total</b>	<b>85.95</b>	<b>211.56</b>

**The table below provides details regarding the contractual maturities of lease liabilities**

Particulars	June 30, 2022	March 31, 2022
Less than one year	241.20	317.97
One to Two years	-	-
More than Two years	-	-
<b>Total</b>	<b>241.20</b>	<b>317.97</b>

**NIIT LEARNING SYSTEMS LIMITED**  
(Formerly Known as Mindchampion Learning Systems Limited)  
CIN: U72200HR2001PLC099478

Notes to the Unaudited Provisional Financial Statements for the period ended June 30, 2022

(All amounts in Rs. thousands, unless stated otherwise)

<b>4</b>	<b>Financial Assets</b>					
<b>4(i)</b>	<b>Current Investment carried at Fair Value through profit or loss</b>					
	<b>Investment [Quoted]</b>					<b>As at</b>
	Mutual Funds			<b>June 30, 2022</b>	<b>March 31, 2022</b>	
	<b>Total</b>			<u>65,517.79</u>	<u>68,820.08</u>	
	<b>Aggregate value of Quoted investments</b>			<u>65,517.79</u>	<u>68,820.08</u>	
	<b>Market value of Quoted investments</b>			<u>65,517.79</u>	<u>68,820.08</u>	

<b>4(ii)</b>	<b>Trade Receivables</b>					
	<b>Unsecured, considered good</b>					<b>As at</b>
	Trade Receivables			<b>June 30, 2022</b>	<b>March 31, 2022</b>	
	Trade Receivables which have significant increase in credit Risk				<b>Current</b>	
	Less: Allowance for expected credit loss			<u>22,533.09</u>	<u>35,025.01</u>	
	<b>Total</b>			<u>192,588.04</u>	<u>193,381.85</u>	
	Trade receivables are non-interest bearing and are generally on terms of 60 to 90 days.			<u>(192,588.04)</u>	<u>(193,381.85)</u>	
				<u>22,533.09</u>	<u>35,025.01</u>	

	<b>4(iii) Other Financial Assets</b>					<b>As at</b>
	a) Security Deposits			<b>June 30, 2022</b>	<b>March 31, 2022</b>	
	Unsecured, considered good	-	-	145.00	145.00	
	Unsecured, considered doubtful	-	-	803.38	803.38	
	Less: Allowance for doubtful deposits	-	-	(803.38)	(803.38)	
	<b>(A)</b>	<u>-</u>	<u>-</u>	<u>145.00</u>	<u>145.00</u>	
	b) Contract Assets					
	Unbilled Revenue	-	-	7,653.66	1,144.70	
	<b>(B)</b>	<u>-</u>	<u>-</u>	<u>7,653.66</u>	<u>1,144.70</u>	
	c) Interest Accrued on bank deposits					
		600.94	311.65	3.54	-	
	<b>(C)</b>	<u>600.94</u>	<u>311.65</u>	<u>3.54</u>	<u>-</u>	
	d) Bank deposits					
	With remaining maturity of more than 12 months	20,010.15	20,010.15	-	-	
	<b>(D)</b>	<u>20,010.15</u>	<u>20,010.15</u>	<u>-</u>	<u>-</u>	
	<b>Total (A+B+C+D)</b>	<u>20,611.09</u>	<u>20,321.80</u>	<u>7,806.40</u>	<u>1,289.70</u>	

**NIIT LEARNING SYSTEMS LIMITED**  
 (Formerly Known as Mindchampion Learning Systems Limited)  
 CIN: U72200HR2001PLC099478

**Notes to the Unaudited Provisional Financial Statements for the period ended June 30, 2022**

(All amounts in Rs. thousands, unless stated otherwise)

<b>4(iv) Cash and Cash Equivalents</b>	<b>As at</b>	
	<b>June 30, 2022</b>	<b>March 31, 2022</b>
<b>Balance with banks</b>		
-Current accounts	8,088.57	1,322.48
<b>Total</b>	<b>8,088.57</b>	<b>1,322.48</b>
<b>4(v) Bank balances other than above</b>	<b>As at</b>	
	<b>June 30, 2022</b>	<b>March 31, 2022</b>
Bank deposits		
-With original maturity of more than 3 months and upto 12 months	2,000.00	-
<b>Total</b>	<b>2,000.00</b>	<b>-</b>
<b>5 Income tax assets</b>	<b>As at</b>	
	<b>June 30, 2022</b>	<b>March 31, 2022</b>
Advance Income Tax	28,117.95	27,209.50
Less : Provision for Income Tax	(6,137.46)	(6,137.46)
	<b>21,980.49</b>	<b>21,072.04</b>
<b>6 Inventories (Valued at lower of cost or net realisable value)</b>	<b>As at</b>	
	<b>June 30, 2022</b>	<b>March 31, 2022</b>
<b>As at the end of the period</b>		
Traded Goods		
a) Education and Training Material	1,079.24	3,272.98
b) Software	1,842.32	2,145.37
	<b>2,921.56</b>	<b>5,418.35</b>
<b>As at the beginning of the year</b>		
Traded Goods		
a) Education and Training Material	3,272.98	12,230.17
b) Software	2,145.37	4,964.96
	<b>5,418.35</b>	<b>17,195.13</b>
<b>Decrease in Inventory*</b>	<b>2,496.79</b>	<b>11,776.78</b>
* Net of provision for non-moving inventories of Rs. 21,555.90 thousands (Previous year Rs. 22,066.52 thousands).		
<b>7 Other Assets</b>	<b>As at</b>	
	<b>June 30, 2022</b>	<b>March 31, 2022</b>
	<b>Current</b>	
<b>i) Advances to Suppliers in cash or in kind</b>		
Unsecured, considered good	3,839.77	3,637.23
	<b>(A) 3,839.77</b>	<b>3,637.23</b>
<b>ii) Prepaid Expenses</b>	590.45	1,219.71
	<b>(B) 590.45</b>	<b>1,219.71</b>
<b>iii) Other Advances recoverable in cash or in kind</b>		
Unsecured, considered good	2,448.08	2,553.76
Unsecured, considered doubtful	48.68	48.68
Less: Allowance for doubtful advances	(48.68)	(48.68)
	<b>(C) 2,448.08</b>	<b>2,553.76</b>
<b>Total other assets (A+B+C)</b>	<b>6,878.30</b>	<b>7,410.70</b>

**NIIT LEARNING SYSTEMS LIMITED**  
(Formerly Known as Mindchampion Learning Systems Limited)  
CIN: U72200HR2001PLC099478

Notes to the Unaudited Provisional Financial Statements for the period ended June 30, 2022

(All amounts in Rs. thousands, unless stated otherwise)

**8 Share capital**

**a) Authorised share capital**

**Particulars**

As at April 01, 2021  
Increase during the year  
As at March 31, 2022  
Increase during the period  
As at June 30, 2022

Equity shares of Rs. 10 each	
Number of shares	Amount
120,000,000	1,200,000.00
-	-
120,000,000	1,200,000.00
-	-
120,000,000	1,200,000.00

**b) Movement in equity share capital**

**Particulars**

As at April 01, 2021  
Issued during the year  
As at March 31, 2022  
Issued during the period  
As at June 30, 2022

Equity shares	
Number of shares	Amount
115,564,072	1,155,640.72
-	-
115,564,072	1,155,640.72
-	-
115,564,072	1,155,640.72

**c) Detail of class of Equity Shares held by the Holding Company**

As at

Particulars	June 30, 2022		March 31, 2022	
	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**

As at

Particulars	June 30, 2022		March 31, 2022	
	No. of shares	% of Holding	No. of shares	% of Holding
NIIT Limited	115,564,072	100%	115,564,072	100%
<b>Total</b>	<b>115,564,072</b>	<b>100%</b>	<b>115,564,072</b>	<b>100%</b>

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 June 30, 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 June 30, 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%
<b>Total</b>		<b>115,564,072</b>	<b>-</b>	<b>115,564,072</b>	<b>100%</b>	<b>0%</b>

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%
<b>Total</b>		<b>115,564,072</b>	<b>-</b>	<b>115,564,072</b>	<b>100%</b>	<b>0%</b>

**NIIT LEARNING SYSTEMS LIMITED**  
 (Formerly Known as Mindchampion Learning Systems Limited)  
 CIN: U72200HR2001PLC099478

**Notes to the Unaudited Provisional Financial Statements for the period ended June 30, 2022**

(All amounts in Rs. thousands, unless stated otherwise)

		<u>As at</u>	
		<u>June 30, 2022</u>	<u>March 31, 2022</u>
<b>9 Other Equity</b>			
<b>Reserves and Surplus [Refer note 9(i)]</b>			
Securities Premium		20,000.00	20,000.00
Retained Earnings		(1,290,015.56)	(1,295,056.86)
Other Reserves [Refer note 9(ii)]		142,717.18	142,717.18
<b>Total reserves and surplus</b>		<b>(1,127,298.38)</b>	<b>(1,132,339.68)</b>
		<u>As at</u>	
		<u>June 30, 2022</u>	<u>March 31, 2022</u>
<b>9(i) Reserves and Surplus</b>			
<b>a) Securities Premium [Refer footnote (i)]</b>			
Balance at the beginning of the period		20,000.00	20,000.00
<b>Balance at the end of the period (A)</b>		<b>20,000.00</b>	<b>20,000.00</b>
<b>b) Retained Earnings</b>			
Balance at the beginning of the period		(1,295,056.86)	(1,290,654.27)
Loss for the year		5,041.30	(4,821.59)
Other comprehensive income		-	419.00
<b>Balance at the end of the period (B)</b>		<b>(1,290,015.56)</b>	<b>(1,295,056.86)</b>
		<hr/>	
<b>Total Reserves and Surplus ( C ) = (A+B)</b>		<b>(1,270,015.56)</b>	<b>(1,275,056.86)</b>
<b>9(ii) Other Reserves</b>		<u>As at</u>	
		<u>June 30, 2022</u>	<u>March 31, 2022</u>
<b>a) Other equity [Refer footnote (ii)]</b>			
Balance at the beginning of the period		142,717.18	142,717.18
<b>Balance at the end of the period (D)</b>		<b>142,717.18</b>	<b>142,717.18</b>
		<hr/>	
<b>Total Other Equity (C+D)</b>		<b>(1,127,298.38)</b>	<b>(1,132,339.68)</b>

**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).

**NIIT LEARNING SYSTEMS LIMITED**  
**(Formerly Known as Mindchampion Learning Systems Limited)**  
**CIN: U72200HR2001PLC099478**

**Notes to the Unaudited Provisional Financial Statements for the period ended June 30, 2022**

(All amounts in Rs. thousands, unless stated otherwise)

**10 Financial Liabilities**

**10(i) Trade Payables**

Total outstanding dues of Creditors other than Micro enterprises & small enterprises	91,781.07	98,356.35
Total outstanding dues of micro enterprises and small enterprises	32.04	87.64
Trade payables to related parties	1,887.45	6,839.55
<b>Total trade payables</b>	<b>93,700.56</b>	<b>105,283.54</b>

As at		
	June 30, 2022	March 31, 2022
	91,781.07	98,356.35
	32.04	87.64
	1,887.45	6,839.55
<b>Total trade payables</b>	<b>93,700.56</b>	<b>105,283.54</b>

**10(ii) Other Financial Liabilities**

Other Payables	13,415.25	8,696.75
<b>Total other financial liabilities</b>	<b>13,415.25</b>	<b>8,696.75</b>

As at		
	June 30, 2022	March 31, 2022
Current		
Other Payables	13,415.25	8,696.75
<b>Total other financial liabilities</b>	<b>13,415.25</b>	<b>8,696.75</b>

**11 Provisions**

**Provision for Employee Benefits :**

Provision for Gratuity	4,731.68	3,772.51
Provision for Compensated Absences	2,751.00	2,795.00
<b>Total Provision</b>	<b>7,482.68</b>	<b>6,567.51</b>

As at		
	June 30, 2022	March 31, 2022
Provision for Gratuity	4,731.68	3,772.51
Provision for Compensated Absences	2,751.00	2,795.00
<b>Total Provision</b>	<b>7,482.68</b>	<b>6,567.51</b>

**12 Other Liabilities**

**Contract Liabilities**

-Deferred Revenue	2,632.71	1,769.40
-Advances from Customers	5,046.15	5,888.55
Statutory Dues*	7,736.24	9,226.54
<b>Total other liabilities</b>	<b>15,415.10</b>	<b>16,884.49</b>

As at		
	June 30, 2022	March 31, 2022
Current		
-Deferred Revenue	2,632.71	1,769.40
-Advances from Customers	5,046.15	5,888.55
Statutory Dues*	7,736.24	9,226.54
<b>Total other liabilities</b>	<b>15,415.10</b>	<b>16,884.49</b>

\* Statutory Dues mainly includes withholding tax, Goods and service tax and Contribution to Provident fund etc.



**NIIT LEARNING SYSTEMS LIMITED**  
 (Formerly Known as Mindchampion Learning Systems Limited)  
 CIN: U72200HR2001PLC099478

**Notes to the Unaudited Provisional Financial Statements for the period ended June 30, 2022**

(All amounts in Rs. thousands, unless stated otherwise)

	<b>Period ended</b>	<b>Year ended</b>
	<b>June 30, 2022</b>	<b>March 31, 2022</b>
<b>13 Revenue From Operations</b>		
<b>Sale of Products :</b>		
-Courseware and Training Material	8,396.70	26,628.79
-Hardware & Accessories	2,064.67	1,592.87
<b>Sale of Services</b>	19,136.32	62,900.19
	<b>29,597.69</b>	<b>91,121.85</b>

	<b>Period ended</b>	<b>Year ended</b>
	<b>June 30, 2022</b>	<b>March 31, 2022</b>
<b>14 Other Income</b>		
Interest Income on Bank Deposits carried at amortized cost	292.83	993.12
Interest income on income tax refund received	-	1,111.95
Net gain on Investment carried at fair value through profit or loss	697.97	1,894.34
Gain on sale / disposal of Property, Plant and Equipment and Intangible assets (Net)	-	738.37
Gain on foreign currency translation and transaction (net)	79.70	142.35
Provision for Doubtful debts written back	793.80	7,814.70
Provision / Other Liabilities written back	-	2,424.10
Other Non-Operating Income	447.64	820.81
	<b>2,311.94</b>	<b>15,939.74</b>

	<b>Period ended</b>	<b>Year ended</b>
	<b>June 30, 2022</b>	<b>March 31, 2022</b>
<b>15 Employee Benefits Expenses</b>		
Salary, Wages and Bonus	12,724.37	58,574.54
Contribution to Provident and other Funds	1,538.41	3,553.98
Share Based Payments	1,983.62	3,199.93
Staff Welfare expense	177.04	619.75
	<b>16,423.44</b>	<b>65,948.20</b>

\* \* 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.

	<b>Period ended</b>	<b>Year ended</b>
	<b>June 30, 2022</b>	<b>March 31, 2022</b>
<b>16 Finance Costs</b>		
Interest Expense	-	45.76
Interest on lease liabilities [Refer note 3(ii)]	6.76	7.63
	<b>6.76</b>	<b>53.39</b>

**NIIT LEARNING SYSTEMS LIMITED**  
**(Formerly Known as Mindchampion Learning Systems Limited)**  
**CIN: U72200HR2001PLC099478**

**Notes to the Unaudited Provisional Financial Statements for the period ended June 30, 2022**

(All amounts in Rs. thousands, unless stated otherwise)

	<b>Period ended</b>		<b>Year ended</b>	
	<b>June 30, 2022</b>		<b>March 31, 2022</b>	
<b>17 Other Expenses</b>				
Equipment Hiring [Refer note 3(i)]		-		38.23
Freight and Cartage		723.95		2,909.39
Rent [Refer note 3(i)]		177.14		1,438.81
Power & Fuel		50.96		124.98
Communication		175.44		514.02
Legal and Professional		466.39		4,206.20
Management Cost Recovery by Holding Company		958.88		2,843.31
Travelling and Conveyance		165.74		386.99
Allowance for Doubtful Advances and Deposits		-		49.59
Advances written off	-		29.79	
Less:- Provision for advances written back	-		(29.79)	
Insurance		0.24		1.96
Repairs and Maintenance				
- Plant and Machinery		92.98		394.03
- Buildings		-		10.11
- Others		53.69		179.66
Consumables		23.17		201.27
Security and Administration Services		31.46		134.29
Bank Charges		11.99		243.46
Marketing & Advertising Expenses		8.19		302.94
Sundry Expenses		15.97		171.06
		<b>2,956.19</b>		<b>14,150.30</b>

	<b>Period ended</b>		<b>Year ended</b>	
	<b>June 30, 2022</b>		<b>March 31, 2022</b>	
<b>18 Exceptional Items</b>				
Legal and professional cost towards scheme of arrangement [Refer note-(i) below]				(295.00)
<b>Total</b>				<b>(295.00)</b>

(i) 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.

**19 Income tax expense**

	<b>Period ended</b>		<b>Year ended</b>	
	<b>June 30, 2022</b>		<b>March 31, 2022</b>	
<b>(a) Income tax expense</b>				
<b>Current tax</b>				
Write off Foreign tax credit		72.16		271.02
<b>Total current tax expense</b>		<b>72.16</b>		<b>271.02</b>
<b>Income tax expense</b>		<b>72.16</b>		<b>271.02</b>

**REPORT ON**  
**RECOMMENDATION OF SHARE ENTITLEMENT RATIO**  
**FOR THE PROPOSED TRANSFER OF**  
**CORPORATE LEARNING GROUP(CLG) BUSINESS UNDERTAKING**  
**OF**  
**NIIT LIMITED**  
**INTO**  
**NIIT LEARNING SYSTEMS LIMITED**  
**UNDER THE PROPOSED COMPOSITE SCHEME OF ARRANGEMENT**

**Drushti R. Desai**  
**Bansi S. Mehta & Co.**  
**Chartered Accountants**  
**Metro House, 3<sup>rd</sup> Floor**  
**M. G. Road, Dhobi Talao,**  
**Mumbai – 400 020.**

*Drushiti R. Desai**Report on Allotment of Shares***CONTENTS**

1.	Glossary .....	2
2.	Introduction.....	3
3.	Data obtained .....	6
4.	Consideration of Factors for Determination of Share Entitlement Ratio .....	7
5.	Conclusion .....	8
6.	Limitations and Disclaimers .....	9
7.	Gratitude .....	10
	Appendix A: Broad Summary Of Data Obtained.....	11
	Appendix B: Information required pursuant to SEBI Master Circular.....	12



**1. Glossary**

Abbreviation	Definition
NIIT	NIIT Limited
Transferor Company	NIIT Limited
NLSL	NIIT Learning Systems Limited
Transferee Company	NIIT Learning Systems Limited
IVS	ICAI Valuation Standards
ICAI	Institute of Chartered Accountants of India
CLG	Corporate Learning Group
the Company	NIIT Limited
the Management	Management of NIIT and NLSL
SEBI Master Circular	SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/000000065 dated November 23, 2021
SNC	Skills and Career Group
Scheme	Draft Composite Scheme of Arrangement between NIIT, NLSL and their respective shareholders and creditors under Section 230-232 of Companies Act, 2013, including rules and regulations made thereunder



## 2. Introduction

2.1 There is a proposal before the Boards of Directors of NIIT Limited (“NIIT” or “the Transferor Company”) and NIIT Learning Systems Limited formerly known as Mindchampion Learning Systems Limited (“NLSL” or “the Transferee Company”) to consider, inter alia, the following restructuring proposal pursuant to the composite scheme of arrangement under section 230-232 of Companies Act, 2013, including rules and regulations made thereunder (hereinafter referred to as “the Scheme”):

- Reduction of the existing equity share capital and the securities premium against the accumulated losses of the Transferee Company in terms of Section 66 of the Companies Act, 2013.
- Transfer of the Corporate Learning Group (“CLG”) Business Undertaking (as defined in detail in the Scheme) of the Transferor Company into the Transferee Company on going concern basis. Upon the said transfer, equity shares of the Transferee Company would be issued to the shareholders of the Transferor Company. This step is hereinafter referred to as the Proposed Transfer. It is understood that this is a demerger in accordance with Section 2(19AA) of the Income Tax Act, 1961.

2.2 In light of the above, I have been engaged by Management of NIIT (“the Management”) vide engagement letter dated December 30, 2021 to recommend, the fair ratio of allotment to the shareholders of the Transferor Company on the Proposed Transfer. This report (“Report”) sets out the findings of my exercise.

2.3 Brief Profile of the Companies:

### 2.3.1 Profile of NIIT Limited

NIIT is a public company incorporated under the Companies Act, 1956 on December 2, 1981. The registered office of the Transferor Company is situated at Plot No.85, Sector-32, Institutional Area, Gurugram 122001 (Haryana).

The Transferor Company is a leading global talent development corporation that is engaged in building skilled human capital and enhancing workforce talent worldwide. With a footprint in over 30 countries, the Transferor Company offers training and development solutions to enterprises and individuals through its two businesses – Corporate Learning Group (“CLG”) and Skills & Careers Group (“SNC”). A brief on the activities being carried out by the two businesses is provided hereunder:

- a) **CLG:** This business 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.
- b) **SNC:** This business offers a diverse range of training programs, certifications and solutions to career seekers and working professionals. Its offerings include software and product engineering, data sciences & analytics, cloud computing, cybersecurity, banking, insurance & finance, digital marketing, content design, UI/UX, project/product/program management, sales & service excellence, professional life skills, business process



excellence, and multi-sectoral vocational & professional skills. SNC offers these programs predominantly in India and emerging economies. The programs are delivered through robust digital and hybrid learning models which connect corporate and individual learners seamlessly. With its comprehensive set of offerings, SNC helps in building multi-skilled full stack professionals at scale.

### 2.3.2 Profile of Corporate Learning Group (CLG) Business Undertaking of NIIT

As mentioned above, this business offers Managed Training Services (MTS<sup>™</sup>) 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.

### 2.3.3 Profile of NIIT Learning Systems Limited

NIIT Learning Systems Limited (hereinafter referred to as “Transferee Company”) is a public company incorporated under the Companies Act, 1956 on July 16, 2001. The registered office of the Transferee Company is situated at Plot No.85, Sector-32, Institutional Area, Gurugram - 122001 (Haryana).

The Transferee Company is 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 Transferee 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.

NIIT Learning Systems Limited is a wholly owned subsidiary of NIIT Limited.

### 2.3.4 Shareholding pattern of the companies

- NIIT

The Authorised, issued, subscribed and paid-up share capital of NIIT as at the Report Date is as follows:

SHARE CAPITAL	AMOUNT (Rs. in lakhs)
<b>Authorised:</b>	
41,10,00,000 Equity Shares of Rs.2 each	8220.00
25,00,00,000 redeemable preference shares of INR. 100/-	2500.00
35,00,00,000 cumulative redeemable preference shares of INR. 1/-	3500.00
<b>Total</b>	<b>14220.00</b>
<b>Issued, Subscribed and fully paid up:</b>	
13,37,39,381 Equity Shares of Rs. 2 each	<b>2,674.79</b>

Source: Management



The foregoing share capital was held as follows:

Particulars	Number of Shares Held	Percentage of Shareholding
Promoter & Group	4,68,93,777	35.06 %
Public	8,68,45,604	64.94 %
Total	13,37,39,381	100.00%

- **NIIT Learning Systems Limited**

The Authorised, issued, subscribed and paid-up share capital of NIT Learning Systems Limited as at the Valuation Date based on the information provided by the Management is as follows.

SHARE CAPITAL	AMOUNT (Rs. in lakhs)
<b>Authorised:</b> 12,00,00,000 Equity Shares of INR 10 each	12,000.00
<b>Issued, Subscribed and fully paid up:</b> 11,55,64,072 Equity Shares of INR 10 each	11,556.41

After the proposed cancellation of the equity share capital pursuant to the Scheme, the Authorised share capital of the Company shall be reclassified to 60,00,00,000 Equity Shares of INR 2 each.

The foregoing share capital is held as follows:

Particulars	Number of Shares Held	Percentage of Shareholding
NIIT Limited*	11,55,64,072	100%

\* including its nominees





*Drushti R. Desai*

*Report on Allotment of Shares*

**3. Data obtained**

- 3.1 I have called for and obtained such data, information, etc. as were necessary for the purpose of this assignment, which have been, as far as possible, made available to me by the Management. **Appendix A** hereto broadly summarizes the data obtained.
- 3.2 For the purpose of this assignment, I have relied on such data summarized in the said Appendix and other related information and explanations provided to me in this regard.



**4. Consideration of Factors for Determination of Share Entitlement Ratio**

For the purpose of arriving at a fair ratio of entitlement for the Proposed Transfer, I have examined, considered and placed reliance on various details, data, documents, accounts, statements furnished and explanations and information given to me and have proceeded to find out the ratio on a consideration of the following factors :

- 4.1 The assets and liabilities identified as pertaining to or in relation to the CLG Business Undertaking would be transferred to the Transferee Company at values as appearing in the books of the Transferor Company as on the day immediately preceding the Appointed Date, pursuant to the Scheme.
- 4.2 As can be observed from the shareholding pattern of the Transferor Company and the Transferee Company, Transferee Company is a wholly owned subsidiary of Transferor Company. It is further understood that upon the scheme being effective, the entire existing share capital of NLSL (currently held by NIIT and its nominees) shall stand cancelled and new shares shall be allotted to the shareholders of NIIT holding shares therein on the record date as defined in the Scheme. Therefore, only the shareholders of NIIT shall hold shares of NLSL. Thus, effectively the shareholding in NLSL would continue to mirror the shareholding of NIIT.
- 4.3 Further, I have also given due consideration to the twin factors of the level of paid-up Equity Share Capital that is considered reasonable for servicing the CLG Business Undertaking proposed to be transferred in to NLSL and of avoiding fraction and disturbance in the holdings of shareholders.
- 4.4 From the foregoing, it is evident that the question or aspect of adjusting the equities between two or more disparate groups of shareholders (which is ordinarily at the root of fixing such ratio of entitlement) is not relevant in this case due to mirroring of the shareholding in case of NIIT and NLSL.
- 4.5 It may be noted that the Institute of Chartered Accountants of India (ICAI) on June 10, 2018 has issued the ICAI Valuation Standards ("IVS") effective for all the valuation reports issued on or after July 1, 2018. The IVS is mandatory for the valuation done under the Companies Act, 2013, and recommendatory for valuation carried out under other statutes/ requirements. However, as the current exercise does not entail valuation, the question of following the Valuation Standards does not arise.



*Drushti R. Desai**Report on Allotment of Shares***5. Conclusion**

Based on the foregoing data, considerations and steps followed, in my opinion the fair ratio of entitlement for equity shares would be as follows:

For every 1 (One) Equity share of face and paid-up value of Rs 2/- (Two) held in the Transferor Company, 1 (One) Equity share of face and paid-up value of Rs. 2/- (Two) in the Transferee Company to be issued to the equity shareholders of the Transferor Company.

**Specific Consideration:**

The SEBI Master Circular requires the valuation report for a scheme of arrangement to provide certain requisite information in a specified format. The current transaction does not trigger the requirement for valuation under SEBI Master Circular, since there is no change in shareholding. However, I have given in Appendix B the disclosure required under the specified format.



*Drushti R. Desai*

*Report on Allotment of Shares*

## **6. Limitations and Disclaimers**

- 6.1 This Report is subject to the scope of limitations detailed hereinafter. As such the Report is to be read in totality and not in parts.
- 6.2 My conclusion is based on the information furnished to me being complete and accurate in all material respects.
- 6.3 This Report is meant for the specific purpose mentioned herein and should not be used for any purpose other than the purpose mentioned herein. The Report should not be copied or reproduced without obtaining prior written approval for any purpose other than the purpose for which it is prepared.
- 6.4 Any person/ party intending to provide finance / deal in the shares / business of the Company shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.
- 6.5 I have no obligation to update this Report because of events or transactions occurring subsequent to the date of this Report.

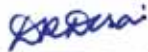


*Drushti R. Desai*

*Report on Allotment of Shares*

**7. Gratitude**

I am grateful to the Management for making information and particulars available to me, often at a short notice, without which this assignment would not have been concluded in a time-bound manner.



**DRUSHTI R. DESAI**

Registered Valuer

Registration Number: IBBI/RV/06/2019/10666

**Place:** Mumbai

**Date:** January 28, 2022

**UDIN:** 22102062AAAAAK9679

*Drushti R. Desai**Report on Allotment of Shares***Appendix A: Broad Summary Of Data Obtained****From the Management:**

1. Audited financial results of NIIT and NLSL for year ended March 31, 2021.
2. Provisional financials of NLSL for the period ended September 30, 2021.
3. Limited reviewed financials of NIIT for the period ended September 30, 2021.
4. Carved out financials of CLG Business Undertaking of NIIT for the six months period ended September 30, 2021.
5. Provisional Balance Sheet of NIIT and NLSL for the period ended December 31, 2021.
6. Draft Composite Scheme of Arrangement between NIIT and NLSL and their shareholders.
7. Other relevant information.
8. Answers to specific questions and issues raised by me after examining the foregoing data.



**Appendix B: Information required pursuant to SEBI Master Circular**

As mentioned earlier, upon implementation of the Scheme, all the shareholders of NIIT would become shareholders of NLSL resulting in a mirror image shareholding of NIIT and NLSL. Therefore, there is no change in shareholding as illustrated in Para 4(d) SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/000000065 dated November 23, 2021. Therefore, I have not carried out a valuation of these entities under the generally accepted principles of valuation.

Valuation Approach	CLG Business Undertaking of NIIT(A)		NLSL (B)	
	Value per Share of NIIT for CLG Business Undertaking (INR)	Weight	Value per Share of NLSL (INR)	Weight
Market Price method	NA	NA	NA	NA
Earnings based Method	NA	NA	NA	NA
Cost based approach	NA	NA	NA	NA
Relative Value per Share	NA		NA	
<b>Share Entitlement Ratio (A/B) (Rounded)</b>			<b>NA</b>	

NA stands for Not Applicable / Not Adopted



**Drushti R. Desai**  
Registered Valuer

*Address:*  
Bansi S. Mehta & Co  
3rd Floor, Metro House,  
Dhobi Talao, M.G. Road,  
Marine Lines, Mumbai-400020

September 21, 2022

To,

<p>To, NIIT Limited, Plot No. 85, Institutional area, Sector 32, Gurgaon, Haryana - 122001</p>	<p>To, NIIT Learning Systems Limited 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi – 110019.</p>
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Dear Sir/ Madam,

**SUB: Reaffirmation of Report on Recommendation of Share Entitlement Ratio dated January 28, 2022 ("Report") for the proposed transfer of Corporate Learning Group (CLG) Business Undertaking of NIIT Limited ("NIIT or the Company or Transferor Company") into NIIT Learning Systems Limited ("NLSL or Transferee Company") in a Composite Scheme of Arrangement under section 230-232 of Companies Act, 2013 including rules and regulations made thereunder, basis the latest unaudited financial statements of the companies<sup>1</sup> as on June 30, 2022**

This letter is in response to your email dated September 15, 2022 requesting me to reply to the observation received by you from the stock exchanges (BSE vide letter dated May 30, 2022 and NSE vide letter dated May 31, 2022) on the Report. The requirement of the stock exchanges is as under:

*"Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."*

In this regard, I wish to state as below:

I understand that pursuant to the Scheme (as mentioned in para 2.1 of the Report) it is proposed to reorganize and reconstruct the companies as follows:

- Step 1: Reduction of the existing equity share capital and the securities premium against the accumulated losses of the Transferee Company in terms of Section 66 of the Companies Act, 2013.
- Step 2: Transfer of the Corporate Learning Group ("CLG") Business Undertaking of Transferor Company into Transferee Company on going concern basis. Upon the said transfer, equity shares of Transferee Company would be issued to the shareholders of Transferor Company. It is understood that this is a demerger in accordance with section 2(19AA) of Income Tax Act, 1961.



<sup>1</sup> NIIT and NLSL are collectively referred to as "the companies".



Further, I would like to draw your attention to the following paragraphs of the Report (para 4.1 to para 4.5) explaining the rationale for arriving at the share exchange ratio:

- 4.1 *"The assets and liabilities identified as pertaining to or in relation to the CLG Business Undertaking would be transferred to the Transferee Company at values as appearing in the books of the Transferor Company as on the day immediately preceding the Appointed Date, pursuant to the Scheme.*
- 4.2 *As can be observed from the shareholding pattern of the Transferor Company and the Transferee Company, Transferee Company is a wholly owned subsidiary of Transferor Company. It is further understood that upon the scheme being effective, the entire existing share capital of NLSL (currently held by NIIT and its nominees) shall stand cancelled and new shares shall be allotted to the shareholders of NIIT holding shares therein on the record date as defined in the Scheme. Therefore, only the shareholders of NIIT shall hold shares of NLSL. Thus, effectively the shareholding in NLSL would continue to mirror the shareholding of NIIT.*
- 4.3 *Further, I have also given due consideration to the twin factors of the level of paid-up Equity Share Capital that is considered reasonable for servicing the CLG Business Undertaking proposed to be transferred in to NLSL and of avoiding fraction and disturbance in the holdings of shareholders.*
- 4.4 *From the foregoing, it is evident that the question or aspect of adjusting the equities between two or more disparate groups of shareholders (which is ordinarily at the root of fixing such ratio of entitlement) is not relevant in this case due to mirroring of the shareholding in case of NIIT and NLSL.*
- 4.5 *It may be noted that the Institute of Chartered Accountants of India (ICAI) on June 10, 2018 has issued the ICAI Valuation Standards ("IVS") effective for all the valuation reports issued on or after July 1, 2018. The IVS is mandatory for the valuation done under the Companies Act, 2013, and recommendatory for valuation carried out under other statutes/ requirements. However, as the current exercise does not entail valuation, the question of following the Valuation Standards does not arise."*

Thus, upon demerger, as mentioned in Appendix B of the Report, all the shareholders of NIIT would become shareholders of NLSL, resulting in a mirror image shareholding of NIIT and NLSL. Therefore, there is no change in shareholding and hence the current transaction does not trigger the requirement of valuation under SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/000000065 dated November 23, 2021.

In the light of the foregoing, I had issued a Share Entitlement Ratio Report dated January 28, 2022 wherein I had recommended the fair ratio of entitlement for equity shares in para 5 as below:

***For the Proposed Demerger***

*For every 1 (One) Equity share of face and paid-up value of Rs 2/- (Two) held in Transferor Company, 1 (One) Equity share of face and paid-up value of Rs. 2/- (Two) in Transferee Company to be issued to the equity shareholders of Transferor Company.*

For the abovementioned reasons, I have not carried out a fair valuation of these entities based on the financials of the companies.



Based on the foregoing, I confirm that there will not be any change to the share entitlement ratio as provided under the Report, even after considering the unaudited financial statements of the companies for the quarter ended June 30, 2022.

It may be noted that for the purpose of this letter I have received the unaudited financial statements of NLSL, NIIT and CLG business undertaking of NIIT for the quarter ended June 30, 2022.

Terms not defined in this letter should take its meaning from the Report.

This letter should be read along with my Report and the limitations mentioned therein.



DRUSHTI R. DESAI  
Registered Valuer  
Registration Number: IBB1/RV/06/2019/10666  
Place: Mumbai  
Date: September 21, 2022

# **FAIRNESS OPINION REPORT**

**ON THE SHARE ENTITLEMENT RATIO**

**FOR THE PROPOSED TRANSFER OF**

**CORPORATE LEARNING GROUP(CLG) BUSINESS UNDERTAKING**

**OF**

**NIIT LIMITED  
(TRANSFEROR COMPANY)**

**INTO**

**NIIT LEARNING SYSTEMS LIMITED  
(TRANSFeree COMPANY)**

**UNDER THE PROPOSED COMPOSITE SCHEME OF ARRANGEMENT  
UNDER SECTION 230 - 232 OF THE COMPANIES ACT, 2013**



**28<sup>th</sup> January, 2022**

**Strictly Private & Confidential**



Strictly Private and Confidential

Ref. No: CPC/MB/141/2021-22  
SEBI Reg. No: INM000011435

To  
The Board of Directors  
NIIT Limited  
Plot No. 85, Sector-32,  
Institutional Area Gurgaon 122001  
Haryana

**SUB: FAIRNESS OPINION ON REPORT ON RECOMMENDATION OF SHARE ENTITLEMENT RATIO FOR THE PROPOSED TRANSFER OF CORPORATE LEARNING GROUP (CLG) BUSINESS UNDERTAKING OF NIIT LIMITED INTO NIIT LEARNING SYSTEMS LIMITED.**

Dear Sir,

There is a proposal before the Boards of Directors of NIIT Limited ("NIIT" or "the Transferor Company") and NIIT Learning Systems Limited (formerly known as Mindchampion Learning Systems Limited), wholly owned subsidiary of NIIT ("NLSL" or "the Transferee Company") to consider restructuring proposal pursuant to the composite scheme of arrangement under section 230-232 of Companies Act, 2013, including rules and regulations made thereunder (hereinafter referred to as "the Scheme").

We refer to our discussion wherein management of NIIT Limited has appointed Corporate Professionals Capital Private Limited (SEBI registered category I Merchant Banker) to provide a Fairness Opinion on the share exchange ratio by Ms. Drushti R. Desai, Bansil S. Mehta & Co. (Independent Registered Valuer) in connection with the transfer of the Corporate Learning Group ("CLG") Business Undertaking of NIIT Limited into the NIIT Learning Systems Limited through a Composite Scheme of Arrangement (hereinafter referred to as "Proposed Scheme/Scheme/Scheme of Arrangement").

In terms of our engagement, we are enclosing our opinion along with this letter. All comments as contained herein must be read in conjunction with the caveats to this opinion. The opinion is confidential and has been made in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") read with SEBI Master Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 for the purpose of Proposed Scheme and should not be used, reproduced or circulated to any other person, in whole or in part, without the prior consent of **Corporate Professionals Capital Private Limited** for any other purpose, such consent will only be given after full consideration of the circumstances at the time which shall not be unreasonably withheld. We are however aware that the conclusion in this report may be used for the purpose of disclosure to be made to the stock exchanges, Hon'ble National company Law Tribunal ("NCLT") and notices to be dispatched to the shareholders and creditors for convening the meeting pursuant to the directions of Hon'ble NCLT, or to any other authority as may be required for the purpose of the Scheme and we provide consent for the same

Please feel free to contact us in case you require any additional information or clarifications.

Yours Faithfully,

For Corporate Professionals Capital Private Limited

[Authorized Signatory]

Page 1





Strictly Private and Confidential

## CONTENTS

<b>Context and Background</b>	<b>3</b>
<b>Brief about Companies</b>	<b>4</b>
<b>Share Exchange Ratio</b>	<b>6</b>
<b>Conclusion &amp; Opinion</b>	<b>8</b>
<b>Caveats</b>	<b>10</b>



### Context and Background

We understand that there is a proposal before the Boards of Directors of NIIT Limited ("NIIT" or "the Transferor Company") and NIIT Learning Systems Limited ("NLSL" or "the Transferee Company") to consider, inter alia, the following restructuring proposal pursuant to the composite scheme of arrangement under section 230-232 of Companies Act, 2013, including rules and regulations made thereunder (hereinafter referred to as "the Scheme"):

The Scheme provides for:

- Reduction of the existing paid up share capital and the securities premium against the accumulated losses of the Transferee Company without any further act and deed, with the approval of the NCLT in terms of Section 66 of the Act as elaborated in Part III of the Scheme;
- 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 relevant provisions of the Act in the manner provided for in the Scheme and in compliance with Section 2(19AA) of IT Act as elaborated in Part IV of the Scheme;
- re-organization of the authorized share capital of the Transferee Company as elaborated in Part V of the Scheme; and
- listing of the share capital of the Transferee Company, consisting of the fully paid-up equity shares of the Transferee Company issued as consideration in terms of Clause 7 of the Scheme to the shareholders of the Transferor Company, on the National Stock Exchange of India Limited and the BSE Limited (Stock Exchanges) after the effectiveness of the Scheme in accordance with the provisions of the SEBI Circular, as elaborated in Part VI of the Scheme; and
- various other matters consequential or otherwise integrally connected therewith.



### BRIEF ABOUT COMPANIES

1. **NIIT Limited** (hereinafter referred to as "NIIT" or "Transferor Company") is a public company incorporated under the Companies Act, 1956 on December 2, 1981. The registered office of the Transferor Company is at Plot no.85, Sector-32, Institutional Area, Gurugram 122001 (Haryana). The shares of the Transferor Company are, at present, listed on National Stock Exchange of India Limited and BSE Limited.

The Transferor Company is a leading global talent development corporation that is engaged in building skilled human capital and enhancing workforce talent worldwide. The Transferor Company which helped the nascent IT industry overcome its human resource challenges, today ranks among the world's leading training companies. With a footprint in over 30 countries, the Transferor Company offers training and development solutions to enterprises and individuals through its two businesses – Corporate Learning Group ("CLG") and Skills & Careers Group ("SNC"). Through this Composite scheme of arrangement, it is proposed to transfer the CLG Business Undertaking of the Transferor Company (all business, activities and operations pertaining to the CLG Business, and all the assets and liabilities thereto, as described in the Scheme) to the Transferee Company.

#### Profile of Corporate Learning Group (CLG) Business of NIIT

The Corporate Learning Group (CLG) business of NIIT (hereinafter referred to as "CLG Business") 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. This is further explained in the Scheme.

The Authorized, issued, subscribed and paid-up share capital of NIIT as at the date of the Report based on the publicly available information is as follows:

Particulars	Amount (INR Lakhs)
<b>Authorised:</b>	
41,10,00,000 Equity Shares of Rs.2 each	82,20.00
25,00,00,000 redeemable preference shares of INR. 100/-	25,00.00
35,00,00,000 cumulative redeemable preference shares of INR. 1/-	35,00.00
<b>Total</b>	<b>142,20.00</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
13,37,39,381 equity shares of INR.2/- each	26,74.79
<b>Total</b>	<b>26,74.79</b>



The foregoing share capital is held as follows

Particulars	Number of Shares Held	Percentage of Shareholding
Promoter & Group	4,68,93,777	35.06%
Public	8,68,45,604	64.94%
Total	13,37,39,381	100.00%

2. **NIIT Learning Systems Limited** (hereinafter referred to as “**Transferee Company**” or “**NLSL**”) is a public company incorporated under the Companies Act, 1956 on July 16, 2001. The registered office of the Transferee Company is at Plot No.85, Sector-32, Institutional Area, Gurugram - 122001 (Haryana). The Transferee Company is 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 Transferee 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. This is further explained in the Scheme.

The Transferee Company is a wholly owned subsidiary of Transferor Company.

The Authorized, issued, subscribed and paid-up share capital of NIIT Learning Systems Limited as at the date of this Report based on the information provided by the Management is as follows.

Particulars	Amount (INR Lakhs)
<b>Authorized Share Capital</b>	
12,00,00,000 equity shares of INR. 10/-	120,00.00
<b>Issued, Subscribed and Paid-up Share Capital</b>	
11,55,64,072 equity shares of INR. 10/-	115,56.41
<b>Total</b>	<b>115,56.41</b>

After the proposed cancellation of the equity share capital pursuant to the Scheme, the Authorized share capital of the Transferee Company shall be reclassified to 60,00,00,000 Equity Shares of INR 2 each.

The foregoing share capital is held as follows:

Particulars	Number of Shares Held	Percentage of Shareholding
NIIT Limited*	11,55,64,072	100%

\* including its nominees



## SHARE ENTITLEMENT RATIO

The assets and liabilities identified as pertaining to or in relation to the CLG Business Undertaking would be transferred to the Transferee Company at values as appearing in the books of the Transferor Company as on the day immediately preceding the Appointed Date, pursuant to the Composite Scheme of Arrangement between the Transferor Company and the Transferee Company.

As can be observed from the shareholding pattern of the Transferor Company and the Transferee Company mentioned earlier, that the Transferee Company is a wholly owned subsidiary of the Transferor Company. It is further understood that upon the scheme being effective, the entire existing issued share capital of the Transferee Company (currently held by the Transferor Company) shall stand cancelled and new equity shares shall be issued and allotted to the shareholders of the Transferor Company holding shares therein on the record date as defined in the Para 7 of Part VI of the Scheme. Therefore, only the shareholders of the Transferor Company shall hold shares of the Transferee Company. Thus, effectively the shareholding in the Transferee Company would be a mirror image of the shareholding of the Transferor Company.

From the foregoing, it is evident that the question or aspect of adjusting the equities between two or more disparate groups of shareholders (which is ordinarily at the root of fixing such ratio of entitlement) is not relevant in this case due to mirroring of the shareholding in case of the Transferor Company and the Transferee Company.

The Share entitlement ratio for Transfer of CLG Business Undertaking of the Transferor Company into the Transferee Company is as follows:

**For every 1 (One) Equity share of face and paid-up value of Rs 2/- (Two) held in the Transferor Company, 1 (One) Equity share of face and paid-up value of Rs. 2/- (Two) in the Transferee Company to be issued to the equity shareholders of the Transferor Company.**

**Based on above and after considering that the Transferee Company involved in the Scheme of Arrangement is wholly owned subsidiary of Transferor Company and the shareholding pattern of the companies shall be same and mirroring each other, we certify the share entitlement ratio is reasonable and fair.**

Further, BSE Circular No. LIST/COMP/02/2017-18 dated May 29, 2017 (referred to as "Stock Exchange Circular") require the valuation report for a scheme of arrangement to provide certain requisite information in a specified format. The current transaction does not trigger the requirement for valuation under SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/000000065 dated November 23, 2021, since there is no change in shareholding. The disclosure required under the circular issued by SEBI and stock exchanges is provided in Appendix B.

Hence, as stated above, no relative valuation of these companies is required to be undertaken. Accordingly, we have not carried out valuation of these companies under generally accepted valuation principle of valuation.





Strictly Private and Confidential

The disclosure required under "Stock Exchange Circulars" is given below:

Valuation Approach	CLG Business Undertaking of Transferor Company (A)		Transferee Company (B)	
	Value per Share of NIIT for CLG Business Undertaking (INR)	Weight	Value per Share of NLSL (INR)	Weight
Market Price method	NA	NA	NA	NA
Earnings based Method	NA	NA	NA	NA
Cost based approach	NA	NA	NA	NA
Relative Value per Share	NA		NA	
<b>Share Entitlement Ratio (A/B) (Rounded)</b>	<b>NA</b>			

NA - Not adopted/ Not Applicable



**CONCLUSION & OPINION**

*We as a Merchant Banker hereby certify that pursuant to SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/000000065 dated November 23, 2021, we have reviewed the proposed Scheme of Arrangement for Transfer and the Share Entitlement Report.*

Based on the foregoing data, and subject to caveats herein below, in our opinion the ratio of entitlement for equity shares as below is fair and reasonable:

**"For every 1 (One) Equity share of face and paid-up value of Rs 2/- (Two) held in the Transferor Company, 1 (One) Equity share of face and paid-up value of Rs. 2/- (Two) in the Transferee Company to be issued to the equity shareholders of the Transferor Company.**



**DISCLAIMER**

We, Corporate Professionals Capital Private Limited ("CPCPL"), SEBI Registered Category -I, Merchant Banker have been engaged to provide fairness opinion on share exchange ratio report by Ms. Drushti R. Desai, Bansi S. Mehta & Co. (Independent Registered Valuer) in connection with the Transfer of the CLG business undertaking by NIIT Limited ("NIIT") into the NIIT Learning Systems Limited through a Composite Scheme of Arrangement.

Ms. Drushti R. Desai, Bansi S. Mehta & Co. (Independent Registered Valuer) has provided the report on share entitlement ratio Arrangement vide their report dated January 28, 2022.

In terms of SEBI Master Circular dated November 23, 2021 ("SEBI Circular") a valuation report is to be issued by registered valuer and a fairness opinion is to be issued by SEBI Registered, Merchant Banker on valuation report issued by the Independent Registered Valuer.

In the capacity of merchant banker, we have issued a fairness opinion on report issued by independent registered valuer in compliance of SEBI Circular.

We confirm that there is no conflict of interest between companies involved in the Proposed Scheme and Corporate Professionals Capital Private Limited, a SEBI Registered Category-I Merchant Banker for issuing fairness opinion on the Report on the Share Entitlement Ratio issued by the Registered Valuer. We also confirm that Ms. Drushti R. Desai, Bansi S. Mehta & Co. (Independent Registered Valuer) is acting in an independent capacity and therefore is no conflict of interest between NIIT and Drushti R. Desai, Bansi S. Mehta & Co.

We also confirm that there is no conflict of interest between Ms. Drushti R. Desai, Bansi S. Mehta & Co. (Independent Registered Valuer) who is entrusted with the responsibility of issuing report on share entitlement and Corporate Professionals Capital Private Limited ("CPCPL"), SEBI Registered Category -I, Merchant Banker who has issued a fairness opinion on valuation report issued by the Independent Registered Valuer.



**CAVEATS**

- We wish to emphasize that, we have relied on explanations and information provided by the respective management and other publicly available information. Although, we have reviewed such data for consistency and reasonableness, we have not independently investigated or otherwise verified the data provided.
- We have not made an appraisal or independent valuation of any of the assets or liabilities of the companies and have not conducted an audit or due diligence or reviewed / validated the financial data except what is provided to us by the Transferor Company & Transferee Company.
- The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them. There may be matters, other than those noted in the Scheme, which might be relevant in the context of the transaction and which a wider scope might uncover.
- We have no present or planned future interest in the Transferor Company & Transferee Company and the fee payable for this opinion is not contingent upon the opinion reported herein.
- Our Fairness Opinion should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into the proposed transaction.
- The Opinion contained herein is not intended to represent at any time other than the date that is specifically stated in this Fairness Opinion Report. This opinion is issued on the understanding that the Management of the Restructured Companies under the Scheme have drawn our attention to all matters of which they are aware, which may have an impact on our opinion up to the date of signature. We have no responsibility to update this report for events and circumstances occurring after the date of this Fairness Opinion.



# NIIT

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**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF NIIT LIMITED ("TRANSFEROR COMPANY/COMPANY") IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON JANUARY 28, 2022**

1. The Board of Directors ("Board") of the Company at their meeting held on January 28, 2022 approved a draft Composite Scheme of Arrangement under Section 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013, ("the Act") including rules made thereunder, relevant provisions of the Income Tax Act, 1961, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations"), circular number SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 issued by the Securities and Exchange Board of India ("SEBI") (the "SEBI Circular") and any other applicable laws, rules, circulars and regulations (including in each case any amendment(s), statutory modification(s) or re-enactment(s) for the time being in force), between NIIT Limited ('the Transferor Company' or 'NIIT' or 'the Company') and NIIT Learning Systems Limited (formerly known as Mindchampion Learning Systems Limited), a wholly owned subsidiary of the Company ("NLSL" or "Transferee Company") and their respective shareholders/creditors ("the Scheme"). Words and expressions, used in capitalized form but not defined in this report, shall have the meaning ascribed to them in the Scheme.
2. The Scheme, inter-alia provides for the following:
  - (i) Reduction of the existing paid up share capital and the securities premium against the accumulated losses of the Transferee Company without any further act and deed, with the approval of the NCLT 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 relevant provisions of the Act in the manner provided for in the Scheme and in compliance with Section 2(19AA) of IT Act 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; and



- (iv) listing of the share capital of the Transferee Company, consisting of the fully paid-up equity shares of the Transferee Company issued as consideration in terms of Clause 7 of the Scheme to the shareholders of the Transferor Company, on the National Stock Exchange of India Limited and the BSE Limited (Stock Exchanges) after the Scheme becomes effective post approval by NCLT and filing with the RoC [Registrar of Companies], in accordance with the provisions of the SEBI Circular, as elaborated in Part VI of the Scheme; and
  - (v) various other matters consequential or otherwise integrally connected therewith.
3. The Scheme was recommended by the Audit Committee and Committee of Independent Directors of the Company at its meeting held on January 28, 2022.
  4. As per Section 232(2)(c) of the Act a report is required to be adopted by the Board explaining effect of the Scheme on equity shareholders including promoter/non-promoter shareholders, key managerial personnel and laying out in particular the share exchange ratio including special valuation difficulties, if any ("Report"). This Report is accordingly being made pursuant to the requirements of Section 232(2)(c) of the Act.
  5. The following were placed before the Board for the purpose of preparation of this Report :-
    - (i) Draft Composite Scheme, duly initialled by the Chairperson for the purpose of identification;
    - (ii) The Valuation Report containing the Share Entitlement Ratio dated January 28, 2022 issued by Ms. Drushti R. Desai, Bansi S. Mehta & Co, Registered Valuer having Registration Number: IBBI/RV/06/2019/10666, describing, inter alia, the methodology adopted by them in arriving at the share entitlement ratio and setting out the computation of said share entitlement ratio for the proposed Scheme ("Valuation Report");
    - (iii) The Fairness Opinion Report dated January 28, 2022 issued by Corporate Professionals Capital Private Limited, a SEBI Registered Merchant Banker, providing its opinion on the fairness of the share entitlement ratio as recommended in the Valuation Report ("Fairness Opinion Report");
    - (iv) The Certificate dated January 28, 2022 issued by Ms/ S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/E300004), the Statutory Auditors of the Company ("Statutory Auditor"), as required under Section 232(3) of the Act certifying that the accounting treatment in the Scheme is in accordance with the accounting standards and applicable law;
    - (v) Audit Committee Report dated January 28, 2022 in terms of the requirements of the Securities Exchange Board of India ('SEBI') circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 ("SEBI Circular");
    - (vi) Report of the Committee of Independent Directors dated January 28, 2022 in terms of the requirement of SEBI Circular; and
    - (vii) The Certificate dated January 28, 2022 from Ms/ S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/E300004), Statutory



NIIT

Auditor, certifying the non-applicability of clause 10(b) read with clause 10(a) of SEBI Circular.

- (viii) All other relevant documents, undertakings, reports, etc. as placed before the board of directors of the Company ("Board").
6. Basis the review of the aforesaid documents, following is the Report of the Board of the Company:
- (i) **Rationale of the Scheme:**
- a) The transfer and vesting of the CLG Business Undertaking into the Transferee Company pursuant to this 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 (all undertakings, businesses, activities and operations of the Transferor Company other than the CLG Business Undertaking, including but not limited to the SNC Business) 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, 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 rationalise its capital structure.

(ii) **Valuation Report containing the Share Entitlement Ratio and confirmation on Accounting Treatment :**

- (a) For the purpose of arriving at the share entitlement ratio, a Valuation Report was obtained which provided the following :

*"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".*

- (b) The Fairness Opinion Report confirmed that the share entitlement ratio as set out in the Valuation report is fair to the Company and their respective shareholders.
- (c) Ms. Drushti R. Desai, Bansi S. Mehta & Co, Registered Valuer having Registration Number: IBBI/RV/06/2019/10666 appointed to determine the share entitlement ratio as set out in Valuation Report has not expressed any difficulty while determining the said share entitlement ratio. Further, the Fairness Opinion Report issued by Corporate Professionals Capital Private Limited also does not indicate any special valuation difficulties.
- (d) The recommendation of the share entitlement ratio as set out in Valuation Report has been considered as being fair and approved by the Board of the Company, as recommended by Audit Committee and Committee of Independent Directors of the Company.

(iii) **Salient Features of the Scheme**

The Board considered and took note of the salient features of Scheme, which *inter-alia* are as under:

- a) The proposed Appointed Date of the Scheme will be April 01, 2022.
- b) "Effective Date" means the date on which the Scheme shall become effective pursuant to Clause 12 of the Scheme. Any references in the Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" or "after this Scheme becomes effective" means and refers to the Effective Date;
- c) The Scheme shall be deemed to be effective from the Appointed Date but shall be operative only from the Effective Date;



- d) The coming into effect of the Scheme is conditional upon and subject to:
- i. The approval by the requisite majorities of the classes of persons, including shareholders, creditors of the Transferor Company and the Transferee Company as may be directed by the NCLT under Sections 230- 232 of the Act;
  - ii. The sanctioning of this Scheme by the NCLT, whether with any modifications or amendments as NCLT may deem fit or otherwise;
  - iii. The filing of the certified copies of the orders of the NCLT with the concerned Registrar of Companies, by the Transferor Company and the Transferee Company, as the case may be;
  - iv. Any other sanctions and orders as may be directed by the NCLT in respect of the Scheme; and
  - v. Any other condition as mentioned in the Scheme.
- e) Upon effectiveness of the Scheme:
- (i) The Transferee Company shall issue and allot fully paid equity shares to the shareholders of the Transferor Company as per the Share Entitlement Ratio as specified in the Scheme;
  - (ii) The equity shares of the Transferee Company issued in terms of 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; and;
  - (iii) The Transferee Company shall apply to all the Stock Exchanges (where the shares of the Transferor Company are listed) and SEBI for listing and admission to trading of all its equity shares issued to the shareholders of the Transferor Company pursuant to the Scheme in terms of the SEBI Circular read with any other applicable laws

(iv) **Effect of Scheme on stakeholders**

**(a) Shareholders (including Promoter & Non- Promoter Shareholders)**

- (i) There is only one class of shareholders, i.e., equity shareholders, which includes the promoter as well as non-promoter shareholders of the Company.
- (ii) 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. 115,56,40,720 (Indian Rupees One Hundred Fifteen Crores Fifty-Six Lac 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.
- (iii) Upon the upon the Scheme becoming effective, 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



NIIT

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 equity shares 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:

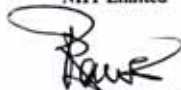
*"For every 1 (one) equity share of the Transferor Company of face value of INR 2 each held in the Transferor Company, every equity shareholder of the Transferor Company, shall without any application, act or deed, be entitled to receive 1 (one) equity share of face value INR 2 each of the Transferee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

- (iv) The equity shares of Transferee Company so issued and allotted as provided above shall be listed on the Stock Exchanges.
  - (v) The entire shareholding held by the Company (directly and/ or through nominees) in the transferee Company, will stand cancelled.
  - (vi) The Scheme is likely to have several benefits for the Company, as indicated in the rationale of the Scheme set out in the Scheme, and is expected to be in the best interests of the shareholders of the Company.
- (b) **Key Managerial Personnel ("KMPs"):** The KMPs of the Company, and their relatives, do not have any concern or interest, financially or otherwise, in the Scheme except as shareholders in general. Therefore, the Scheme will have no effect on them, except to the extent of their respective shareholding and effect thereon as explained in point 6. (iv)(a) above.

#### 7. Adoption of the Report by the Directors

The directors of the Company have adopted this Report after noting and considering the information set forth in this Report. The Board or any person/committee duly authorised by the Board may make relevant modifications to this Report, if required, and such modifications or amendments shall be deemed to form part of this Report.

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



**Rajendra Singh Patwar**  
Chairman  
Date : 28.01.2022  
Place : Gurugram



**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF NIIT LEARNING SYSTEMS LIMITED (FORMERLY MINDCHAMPION LEARNING SYSTEMS LIMITED) ("TRANSFEREE COMPANY/COMPANY") IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON JANUARY 28, 2022**

1. The Board of Directors ("Board") of the Company at their meeting held on January 28, 2022 approved a draft Composite Scheme of Arrangement under Section 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013, ("the Act") including rules made thereunder, relevant provisions of the Income Tax Act, 1961 and any other applicable laws, rules, circulars and regulations (including in each case any amendment(s), statutory modification(s) or re-enactment(s) for the time being in force) between NIIT Limited, the holding company ('the Transferor Company' or 'NIIT') and NIIT Learning Systems Limited (formerly known as MindChampion Learning Systems Limited), ("NLSL" or "Transferee Company" or "Company") and their respective shareholders/creditors ("the Scheme"). Words and expressions, used in capitalized form but not defined in this report, shall have the meaning ascribed to them in the Scheme.
  
2. The Scheme, inter-alia provides for the following:
  - (i) Reduction of the existing paid up share capital and the securities premium against the accumulated losses of the Transferee Company without any further act and deed, with the approval of the NCLT 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 relevant provisions of the Act in the manner provided for in the Scheme and in compliance with Section 2(19AA) of IT Act 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; and
  - (iv) listing of the share capital of the Transferee Company, consisting of the fully paid-up equity shares of the Transferee Company issued as consideration in terms of Clause 7 of the Scheme to the shareholders of the Transferor Company, on the National Stock Exchange of India Limited and the BSE Limited (Stock Exchanges) after the Scheme becomes effective post approval by NCLT and filing with the RoC [Registrar of Companies], in accordance with the provisions of the SEBI Circular, as elaborated in Part VI of the Scheme; and
  - (v) various other matters consequential or otherwise integrally connected therewith.
  
3. As per Section 232(2)(c) of the Act a report is required to be adopted by the Board explaining effect of the Scheme on equity shareholders including promoter/non-promoter shareholders, key managerial personnel and laying out in particular the share exchange ratio



**NIIT LEARNING SYSTEMS LIMITED**  
 A NIIT LIMITED SUBSIDIARY COMPANY  
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including special valuation difficulties, if any ("Report"). This Report is accordingly being made pursuant to the requirements of Section 232(2)(c) of the Act.

4. The following were placed before the Board for the purpose of preparation of this Report :-
- (i) Draft Composite Scheme, duly initialled by the Chairperson for the purpose of identification;
  - (ii) The Valuation Report containing the Share Entitlement Ratio dated January 28, 2022 issued by Ms. Drushti R. Desai, Bansi S. Mehta & Co, Registered Valuer having Registration Number: IBBI/RV/06/2019/10666, describing, inter alia, the methodology adopted by them in arriving at the share entitlement ratio and setting out the computation of said share entitlement ratio for the proposed Scheme ("Valuation Report");
  - (iii) The Fairness Opinion Report dated January 28, 2022 issued by Corporate Professionals Capital Private Limited, a SEBI Registered Merchant Banker, providing its opinion on the fairness of the share entitlement ratio as recommended in the Valuation Report ("Fairness Opinion Report");
  - (iv) The Certificate dated January 28, 2022 issued by Ms/ S.R. Batliboi & Associates L.L.P, Chartered Accountants (Firm Registration No. 101049W/E300004), the Statutory Auditors of the Company ("Statutory Auditor"), as required under Section 232(3) of the Act certifying that the accounting treatment in the Scheme is in accordance with the accounting standards and applicable law;
  - (v) All other relevant documents, undertakings, reports, etc. as placed before the board of directors of the Company ("Board").
5. Basis the review of the aforesaid documents, following is the Report of the Board of the Company:
- (i) **Rationale of the Scheme:**
    - a) The transfer and vesting of the CLG Business Undertaking into the Transferee Company pursuant to this 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 (all undertakings, businesses, activities and operations of the Transferor Company other than the CLG Business Undertaking, including but not limited to the SNC Business) 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.



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- (ii) Both businesses have attained a significant size, 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 rationalise its capital structure.
- (ii) **Valuation Report containing the Share Entitlement Ratio and confirmation on Accounting Treatment :**
- (a) For the purpose of arriving at the share entitlement ratio, a Valuation Report was obtained which provided the following :
- “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”.*
- (b) The Fairness Opinion Report confirmed that the share entitlement ratio as set out in the Valuation report is fair to the Company and their respective shareholders.
- (c) Ms. Drushti R. Desai, Bansi S. Mehta & Co, Registered Valuer having Registration Number: IBBI/RV/06/2019/10666 appointed to determine the share entitlement ratio as set out in Valuation Report has not expressed any



**NIIT LEARNING SYSTEMS LIMITED**  
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difficulty while determining the said share entitlement ratio. Further, the Fairness Opinion Report issued by Corporate Professionals Capital Private Limited also does not indicate any special valuation difficulties.

- (d) The recommendation of the share entitlement ratio as set out in Valuation Report has been considered as being fair and approved by the Board of the Company.

(iii) **Salient Features of the Scheme**

The Board considered and took note of the salient features of Scheme, which *inter-alia* are as under:

- a) The proposed Appointed Date of the Scheme will be April 01, 2022.
- b) "Effective Date" means the date on which the Scheme shall become effective pursuant to Clause 12 of the Scheme. Any references in the Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" or "after this Scheme becomes effective" means and refers to the Effective Date;
- c) The Scheme shall be deemed to be effective from the Appointed Date but shall be operative only from the Effective Date.
- d) The coming into effect of the Scheme is conditional upon and subject to:
  - i. The approval by the requisite majorities of the classes of persons, including shareholders, creditors of the Transferor Company and the Transferee Company as may be directed by the NCLT under Sections 230- 232 of the Act;
  - ii. The sanctioning of this Scheme by the NCLT, whether with any modifications or amendments as NCLT may deem fit or otherwise;
  - iii. The filing of the certified copies of the orders of the NCLT with the concerned Registrar of Companies, by the Transferor Company and the Transferee Company, as the case may be;
  - iv. Any other sanctions and orders as may be directed by the NCLT in respect of the Scheme; and
  - v. Any other condition as mentioned in the Scheme.
- e) Upon effectiveness of the Scheme:
  - (i) The Transferee Company shall issue and allot fully paid equity shares to the shareholders of the Transferor Company as per the Share Entitlement Ratio as specified in the Scheme;
  - (ii) The equity shares of the Transferee Company issued in terms of 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; and;
  - (iii) The Transferee Company shall apply to all the Stock Exchanges



**NIIT LEARNING SYSTEMS LIMITED**  
A NIIT LIMITED SUBSIDIARY COMPANY  
(Formerly MindChampion Learning Systems Limited)

E-MAIL: INFO@NIIT.COM

WWW.NIITNGURU.COM

CIN: U72200HR2001PLC099478

REGISTERED OFFICE:  
PLOT NO. 85, SECTOR 32,  
INSTITUTIONAL AREA,  
GURUGRAM 122 001,  
(HARYANA) INDIA  
TEL: +91 (124) 4293000  
FAX: +91 (124) 4293333

(where the shares of the Transferor Company are listed) and SEBI for listing and admission to trading of all its equity shares issued to the shareholders of the Transferor Company pursuant to the Scheme in terms of the SEBI Circular read with any other applicable laws

(iv) **Effect of Scheme on stakeholders**

**(a) Shareholders (including Promoter & Non- Promoter Shareholders)**

- (i) There is only one class of shareholders, i.e., equity shareholders. The entire shareholding in the Transferee Company is held by Transferor Company.
- (ii) 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. 115,56,40,720 (Indian Rupees One Hundred Fifteen Crores Fifty-Six Lac 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.
- (iii) Upon the upon the Scheme becoming effective, 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 equity shares 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".*
- (iv) The equity shares of Transferee Company so issued and allotted as provided above shall be listed on the Stock Exchanges.
- (v) The entire shareholding held by the Transferor Company (directly and/ or through nominees) in the Transferee Company, will stand cancelled.
- (vi) The Scheme is likely to have several benefits for the Company, as indicated in the rationale of the Scheme set out in the Scheme, and is expected to be in the best interests of the shareholders of the Company.

**(b) Key Managerial Personnel ("KMPs"):** The KMPs of the Company, and their relatives, do not have any concern or interest, financially or otherwise, in the



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Scheme except as shareholders in general. Therefore, the Scheme will have no effect on them, except to the extent of their respective shareholding and effect thereon as explained in point 5. (iv)(a) above.

**6. Adoption of the Report by the Directors**

The directors of the Company have adopted this Report after noting and considering the information set forth in this Report. The Board or any person/committee duly authorised by the Board may make relevant modifications to this Report, if required, and such modifications or amendments shall be deemed to form part of this Report.

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

  
**P Rajendran**  
 Chairman  
 Date : 28.01.2022  
 Place : Gurugram



BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India  
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 Corporate Identity Number: L67120MH2005PLC155188



**DCS/AMAL/MJ/IP/2344/2022-23**

**"E-Letter"**

**May 30, 2022**

The Company Secretary,  
**NIIT LTD.**  
 Plot No. 85, Sector 32,  
 Institutional Area,  
 Gurugram, Haryana-122001.

Dear Sir,

**Sub: Observation letter regarding the Composite Scheme of Arrangement between NIIT Limited and NIIT Learning Systems Limited and their respective Shareholders and Creditors.**

We are in receipt of the Draft Composite Scheme of Arrangement of NIIT Limited as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated May 30, 2022 has inter alia given the following comment(s) on the draft scheme of Arrangement:

- "Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- "Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- "Company shall ensure compliance with the said circular."
- "The entities involved in the Scheme shall duly comply with various provisions of the Circular."
- "Company is advised that the information pertaining to all the Unlisted Companies involved in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval
- "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- "Company is advised that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders."
- "Company is advised that the proposed equity shares to be issued in terms of the Scheme shall mandatorily be in demat form only."
- "Company shall ensure that Transferor Company to incorporate the reasons for losses incurred in the transferee Company in the explanatory statement to the shareholders.
- "Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."
- "No changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."

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- **“Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme**
- **“Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon’ble NCLT and the company is obliged to bring the observations to the notice of Hon’ble NCLT.”**
- **“It is to be noted that the petitions are filed by the company before Hon’ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon’ble NCLT. Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

However, the listing of equity shares of NIIT Learning Systems Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular. No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. Further, NIIT Learning Systems Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

The Company shall fulfill the Exchange’s criteria for listing the securities of such company and also comply with other applicable statutory requirements. However, the listing of shares of NIIT Learning Systems Limited is at the discretion of the Exchange. In addition to the above, the listing of NIIT Learning Systems Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about NIIT Learning Systems Limited in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the company is also advised to make the same available to the public through its website.
2. To publish an advertisement in the newspapers containing all NIIT Learning Systems Limited in line with the details required as per the aforesaid SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.
3. To disclose all the material information about NIIT Learning Systems Limited on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.
4. The following provisions shall be incorporated in the scheme:
  - i. The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange.”

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- II. “There shall be no change in the shareholding pattern of NIIT Learning Systems Limited between the record date and the listing which may affect the status of this approval.”

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **validity of this Observation Letter shall be Six Months from the date of this Letter**, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its ‘No adverse observation’ at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon’ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange’s representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

Sd/-

**Prasad Bhide**  
Manager



**National Stock Exchange Of India Limited**

Ref: NSE/LIST/29916\_II

May 31, 2022

The Company Secretary  
NIIT Limited  
Plot No. 85, Sector- 32,  
Institutional Area, Gurgaon – 122001.

**Kind Attn.: Mr. Deepak Bansal**

Dear Sir,

**Sub: Observation Letter for Draft Scheme of Arrangement between NIIT Limited and NIIT Learning Systems Limited and their respective shareholders and their respective creditors.**

We are in receipt of Draft Scheme of Arrangement between NIIT Limited and NIIT Learning Systems Limited and their respective shareholders and their respective creditors vide application dated February 4, 2022.

Based on our letter reference no. NSE/LIST/29916 dated March 09, 2022 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and Regulation 94 (2) SEBI (LODR) Regulations 2015, kindly find following comments on the draft scheme:

- a. *Company shall ensure disclosure of all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme.*
- b. *Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter is displayed on the websites of the listed company and the Stock Exchanges.*
- c. *Company shall ensure compliance with the SEBI circulars issued from time to time.*
- d. *The entities involved in the scheme shall duly comply with various provisions of the said Circular.*
- e. *Company shall ensure that Transferee Company includes the applicable information pertaining to all the transferor Companies involved in the scheme, in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
- f. *Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- g. *Company shall ensure that the details of the proposed scheme under consideration as provided to the stock exchange shall be prominently disclosed in the notice sent to the shareholder.*
- h. *Company shall ensure that the proposed equity shares to be issued in terms of the "scheme" shall mandatorily be in a demat form only.*



Continuation Sheet

- i. *Company shall advise Transferor Company to incorporate the reasons for losses incurred in Transferee Company in the explanatory statement to the shareholders.*
- j. *Company shall ensure that the “scheme” shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.*
- k. *Company shall ensure that no changes to the draft scheme except those mandated by the regulators/tribunals shall be made without specific written consent of SEBI.*
- l. *Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the company is obliged to bring the observations to the notice of NCLT.*
- m. *Company to comply with the all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme*

**It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.**

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the Circular.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

The Company should also fulfil the Exchange’s criteria for listing of such company and also comply with other applicable statutory requirements. However, the listing of shares of NIIT Learning Systems Limited is at the discretion of the Exchange.

The listing of NIIT Learning Systems Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval & Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about NIIT Learning Systems Limited and its group companies in line with the disclosure requirements applicable for public issues with National Stock Exchange of India Limited (“NSE”) for making the same available to the public through website of the companies. The following lines must be inserted as a disclaimer clause in the Information Memorandum:

***“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.”***



Continuation Sheet

2. To publish an advertisement in the newspapers containing all the information about NIIT Learning Systems Limited in line with the details required as per SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as NSE.
3. To disclose all the material information about NIIT Learning Systems Limited to NSE on the continuous basis so as to make the same public, in addition to the requirements, if any, specified in SEBI (LODR) Regulations, 2015 for disclosures about the subsidiaries.
4. The following provision shall be incorporated in the scheme:
  - (a) "The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange."
  - (b) "There shall be no change in the shareholding pattern or control in NIIT Learning Systems Limited between the record date and the listing which may affect the status of this approval."

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities. The validity of this "Observation Letter" shall be six months from May 31, 2022 within which the scheme shall be submitted to NCLT.

**The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.**

Yours faithfully,  
For National Stock Exchange of India Limited

Dipti Chinchkhede  
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:  
<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

**NIIT**

**NIIT Limited**  
 Registered Office:  
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 Institutional Area,  
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 Fax: +91 (11) 42933333  
 Email: info@niit.com

CIN: L74899DL1981PLC015965

www.niit.com

March 1, 2022

The Secretary  
**Bombay Stock Exchange Limited**  
 Corporate Relationship Department  
 1<sup>st</sup> Floor, New Trading Ring,  
 Rotunda Building  
 Phiroze Jeejeebhoy Towers, Dalal Street,  
 Mumbai-400 001

The Secretary  
**National Stock Exchange of India Ltd**  
 Exchange Plaza  
 5<sup>th</sup> Floor, Plot no C/1, G Block  
 Bandra Kurla Complex  
 Bandra (East)  
 Mumbai 400 051.

**Sub: Submission of Complaint Report as per  
 SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 for the  
 proposed Composite Scheme of Arrangement between NIIT Limited and NIIT  
 Learning Systems Limited and their respective shareholders and creditors**

**Scrip Code : BSE – 500304; NSE – NIITLTD**

Dear Sir,

This is in reference to our application dated February 4, 2022 filed under Regulation 37 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the Composite Scheme of Arrangement under Section 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, as may be applicable, between NIIT Limited ('the Transferor Company' or 'NIIT' or 'the Company') and NIIT Learning Systems Limited (formerly known as Mindchampion Learning Systems Limited) ('the Transferee Company' or 'NLSL') and their respective shareholders and creditors ('Scheme' or 'the Scheme' or 'this Scheme'), subject to necessary statutory, regulatory and/or corporate approvals, as applicable.

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, please find enclosed the Complaints Report, in the format prescribed, on the Scheme during the period of 21 days from the date of hosting of the draft scheme and other documents on the website of the Stock Exchange i.e. February 4, 2022 and up to February 25, 2022.



Also, note that the Complaint Report is being uploaded on the website of the Company at <http://www.niit.com/india/training/investors/Pages/investor-information.aspx> as required under the said SEBI circular.

We request you to please take the same on record and provide us the in-principle approval/ no objection letter for the abovementioned Scheme of Arrangement.

Thanking you,

Yours faithfully,  
For **NIIT Limited**



**Deepak Bansal**  
**Company Secretary &**  
**Compliance Officer**

Encls: a/a

**Complaints Report****Part A**

<b>Sr. No</b>	<b>Particulars</b>	<b>Number</b>
1	Number of complaints received directly	Nil
2	Number of complaints forwarded by Stock Exchanges/ SEBI	Nil
3	Total number of complaints/comments received (1+2)	Nil
4	Number of complaints resolved	Not applicable
5	Number of complaints pending	Not applicable

**Part B**

<b>Sr. No.</b>	<b>Name of Complainant</b>	<b>Date of Complaint</b>	<b>Status (Resolved/Pending)</b>
<b>Not Applicable</b>			

For NIIT Limited



**Deepak Bansal**  
Company Secretary &  
Compliance Officer

**NIIT Limited**

Registered Office:  
Plot No 85, Sector 32,  
Institutional Area,  
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Email: info@niit.com

CIN: L74899DL1981PLC015865

[www.niit.com](http://www.niit.com)

March 11, 2022

The Secretary  
**National Stock Exchange of India Ltd  
(NSE)**  
Exchange Plaza  
5<sup>th</sup> Floor, Plot no C/1, G Block  
Bandra Kurla Complex  
Bandra (East)  
Mumbai 400 051

**Sub: Submission of Complaint Report as per  
SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 for the  
proposed Composite Scheme of Arrangement between NIIT Limited and NIIT  
Learning Systems Limited and their respective shareholders and creditors**

**Scrip Code : NSE – NIITLTD**

Dear Sir,

This is in reference to our application dated February 4, 2022 filed under Regulation 37 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the Composite Scheme of Arrangement under Section 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, as may be applicable, between NIIT Limited ('the Transferor Company' or 'NIIT' or 'the Company') and NIIT Learning Systems Limited (formerly known as Mindchampion Learning Systems Limited) ('the Transferee Company' or 'NLSL') and their respective shareholders and creditors ('Scheme' or 'the Scheme' or 'this Scheme'), subject to necessary statutory, regulatory and/or corporate approvals, as applicable.

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and as advised, please find enclosed the Complaints Report (in continuation to our earlier submission vide letter dated March 1, 2022), in the format prescribed, on the Scheme during the period of 21 days from the date of hosting of the draft scheme and other documents on the website of NSE i.e. February 17, 2022 and up to March 10, 2022.

Also, note that the Complaint Report is being uploaded on the website of the Company at <http://www.niit.com/india/training/investors/Pages/investor-information.aspx> as required under the said SEBI circular.

We request you to please take the same on record and provide us the in-principle approval/ no objection letter for the abovementioned Scheme of Arrangement.

Thanking you,

Yours faithfully,  
For **NIIT Limited**



**Deepak Bansal**  
**Company Secretary &**  
**Compliance Officer**

Encls: a/a

**Complaints Report****Part A**

<b>Sr. No</b>	<b>Particulars</b>	<b>Number</b>
1	Number of complaints received directly	Nil
2	Number of complaints forwarded by Stock Exchanges/ SEBI	Nil
3	Total number of complaints/comments received (1+2)	Nil
4	Number of complaints resolved	Not applicable
5	Number of complaints pending	Not applicable

**Part B**

<b>Sr. No.</b>	<b>Name of Complainant</b>	<b>Date of Complaint</b>	<b>Status (Resolved/Pending)</b>
<b>Not Applicable</b>			

For NIIT Limited



**Deepak Bansal**  
**Company Secretary &**  
**Compliance Officer**

**Details of litigations/proceedings filed against the Transferor Company, its Promoters and Directors in relation to the business of the Transferor Company, as submitted with NCLT along with Company's application & status as on date**

S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
1	Pankaj Singh Vs. NIIT	District Consumer Forum Saharanpur, U.P.		The Complainant chose not to attend the Course after attending some classes in the beginning. The fee can be refunded prior to start of batch.	For final arguments.	-
2	Bipul Barman Vs. NIIT	District Consumer Forum, South Delhi, Delhi	The Complainant alleges deficiency of service on account of delay in delivery of B.Sc. (IT) Certificate from NIIT. Amount claimed is Rs. 10,00,000/-.	The Company did not enrol the Complainant in the Program in question.	For final arguments.	-
3	Sougata Vidyabhushan Vs. NIIT	District Consumer Forum, Paschimi Midnapore, West Bengal	The Complainant took admission in the NIIT Course and alleges delay in completion thereof. Seeking refund of Course Fee and damages @ Rs. 2,20,000/-.	No privity of contract between the complainant and the Company. He was enrolled with the then Licensee Centre. Delay is attributed to the Complainant as also the complaint is time barred.	The Ex-Licensee has filed an appeal against maintainability of the complaint and the same is pending for disposal.	-
4	Tbassum Vs. NIIT	District Consumer Forum, Hariadwar, Uttarakhnad	The Complainant enrolled for Basic Computer and Tally Course. The allegation is that of delay in delivery.	No privity of contract between the complainant and the Company. The Complainant was enrolled at the then Licensee Centre. Delay is attributed to the Complainant as the Complainant went on break without notifying the Centre.	Order reserved	-
5	Shubham Dhyani Vs. NIIT	District Consumer Forum, Hariadwar, Uttarakhnad	The Complainant showed interest for enrolling in NIIT Course and alleges that he paid fees, but no batch was allotted and therefore his classes did not start. He is seeking refund and damages. Total amount claimed for refund and damage is 2,73,251/-.	The Complainant paid deficient fee with the then Licensee Centre due to which no batch could have been allotted to the Complainant. No privity of contract between the complainant and the Company.	Order reserved	-

S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
6	Shashi Bhusan Nag Vs. NIIT	District Consumer Forum, Raipur, Chhattisgarh	The Complainant has filed a case that his daughter took admission in NIIT Course which was not completed in due time. It is alleged that the delay has affected the future plans of the learner. Amount Claimed is Rs 1,64,382/-	The Learner took admission in a course the total duration of which was 192 hours which was divided into 6 days/12 hours a week. The Learner was adamant on completing the course before scheduled time which was just not possible and the same was also communicated to the Learner. Secondly the Learner herself was not regular in attending the classes.	For final arguments	-
7	Nitin Kumar Vs. NIIT	District Consumer Forum, Satini Enclave, Delhi	The grievance of the Complainant is related to only removal of discrepancy in the mark sheet of B. Sc. (IT), issuing provisional certificate and degree of B. Sc. (IT). Amount Claimed is Rs. 4,50,000/-	The Company did not enrol the Complainant in the Program in question.	For Final Arguments	-
8	Dhovani D Gohil Vs. NIIT	District Consumer Forum, Surat, Gujarat	The Complainant enrolled for 3 NIIT Courses at NIIT Surat center, operated by the then licensee of the Company. The Complainant alleges deficiency of services and seeks refund and damage @ Rs. 70,000/-.	The complainant failed to attend classes and also did not take up the examination. Hence not eligible for any refund.	For final arguments	-
9	Deepiti Agarwal Vs. NIIT	District Consumer Forum, Mathura	The Complainant enrolled in NIIT Course, GNIIT Banking and Finance. She alleged that the Course was not completed by the Company. She is accordingly claiming refund and damage @ Rs. 4,06,173/-.	The Complainant herself did not take up the examinations due to which the Course was not completed.	For final arguments	-

S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
10	Rupit Garg Vs. NIIT	District Consumer Forum, Agra	Alleged deficiency of services on account of classes not taken on time. The Complainant has stated that he took educational loan from the bank and is paying the interest on the one hand while he is not able to complete the course due to deficiency in services from the Company's end. Amount claimed: Rs. 11,62,721/-	Despite regular classes being held by the Company, the complainant failed to attend the same on time. The complainant was even provided the extra classes in online mode to cover up and refresh himself. However, he was not able to clear the exams.	For miscellaneous arguments	Disposed against us. Filing appeal before the State Commission
11	Shilpa Sharma Vs. NIIT	State Commission, Delhi	The original complaint was dismissed by the District Consumer Forum, Delhi. Hence the Appellant has filed this Appeal. The Appellant is seeking certificate of GNIIT Course in which she took admission as also claiming Rs. 1,56,064/- along with 12% interest due to alleged failure on the part of the Company to complete the Course.	The Appellant started pursuing MBA Program after taking admission in NIIT Course and became irregular in attending classes. The Company accommodated her classes even during the weekends. However, the Complainant failed to clear the exams.	For final arguments	-
12	Asha Parashar Vs NIIT	District Consumer Forum, Bhilwara, Rajasthan	The Complainant alleges that classes have not been completed and placement not provided by the Company. Amount Claimed is for refund and compensation @ Rs 1,26,000/-	The Company provides placement assistance to its learners only after they complete the select NIIT Courses. However, the complainant never attended the classes and cleared the exam nor paid the complete fees.	For final arguments	-



S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
13	NIIT vs. Jitesh Malviya	State Commission, Jodhpur	Original Complaint allowed. The Complainant alleged that NIIT Centre at Jodhpur, run by the then licensee, did not provided the Complainant with ample PP (Professional Practice) and his GNIT Course was not completed. The Complainant sought refund of fee along with damages. The District Forum allowed the complaint and ordered NIIT and the Licensee to pay Rs. 4,34,000/- to the Complainant.	The Company has filed appeal before the State Commission and challenged the order on the ground that despite providing the Complainant with ample PP opportunities, he failed to appear for the interviews.	Order reserved.	Decided in favour of the Company
14	Pooja Borse Vs. NIIT Vashi	State Commission Mumbai	The Complainant alleged deficiency of service the NIIT Course she took admission in, was not completed and therefore she faced unnecessary harassment. Amount claimed for refund of fee and compensation is Rs 2,25,000/-. The District Consumer Forum dismissed her complaint.	The defence is that the course was completed on time and all other learners in her batch were duly certified too. The Complainant was irregular in attending the classes. The Company even accommodated the Complainant by scheduling the classes as per her liking of time and days.	For arguments.	-
15	Diya S. Lokesh Vs. NIIT	District Consumer Forum, Mysore, Karnataka	The Complainant took admission at NIIT Mysore Centre, run by the then licensee. Deficiency of services alleged due to the Complainant not able to take up online examination in the NIIT Course that he enrolled in. Amount claimed is Rs. 1,21,240/-.	The Complainant failed to appear for the examinations scheduled for the Complainant. Later, the Centre's license got expired and the Complainant could not be provided the second opportunity to take exam.	The Licensee could not be served and therefore they have been ordered to be served through paper publication.	-

S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
16	Kiran S Vs. NIIT	District Consumer Forum, Mysore, Karnataka	The Complainant took admission at NIIT Mysore Centre, run by the then Licensee. Deficiency of services alleged due to the Complainant not able to take up online examination in the NIIT Course that he enrolled in. Amount claimed is Rs. 1,21,240/-.	The Complainant failed to appear for the examinations scheduled for the Complainant. Later, the Centre's license got expired and the Complainant could not be provided the second opportunity to take exam.	The Licensee could not be served and therefore they have been ordered to be served through paper publication.	-
17	Kartik Mittal Vs. NIIT	District Consumer Forum, Chandigarh	The Complainant took admission in BFSI Course offered in alliance with ICICI Bank. He is seeking refund of the fee as also compensation @ Rs. 1,52,000/-.	Complainant is not entitled to refund after attending the classes and receiving the Courseware.	For final arguments	Disposed against us. Making payment of awarded sum of Rs. 32,000/-.
18	NIIT Vs. Yumleban Bonney	State Commission, Guwahati	In the original complaint the Complainant stated that there was a delay in examination and courseware was not received by him. Amount claimed was Rs. 18,00,000. However, the District Consumer forum awarded a sum of Rs 4,31,706/-.	In the appeal NIIT has stated that the Complainant was a fee defaulter and also the fee receipts attached in the original complaint are forged and fabricated. Therefore, the award of the District Forum is not maintainable.	For further hearing	-
19	Deepak Kumar Vs. NIIT	District Forum Chandigarh, UT	The Complainant has alleged that the internship provided to him was not commensurate with the training and also, he was put on internship away from his hometown.	The condition of contract clearly points out that the Complainant can be provided internship anywhere in India.	For filing of rejoinder	-
20	Robin Chhabra Vs NIIT	District Consumer Forum Rohtak, Haryana	This is an execution application. The order of the District Consumer Forum is Rs. 51,297/- plus interest.	NIIT was not arrayed as a party in the complaint and therefore any attempt to enforce the execution against NIIT is not maintainable.	For appearance	-
21	Mahesh M Vs. NIIT	District Consumer Forum Palakkad, Kerala	The Complainant was enrolled by a Licensee Centre. Original Complaint allowed. A sum of Rs. 1,37,000/- awarded.	NIIT has already paid the amount awarded by the District Forum.	For closure.	-

S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
22	NIIT Vs. Shantanu Kumar Kaibartia	State Commission, West Bengal	The Complainant alleges deficiency of service on account of non-recognition of B.Sc. (IT) Certificate by Kuvempu University. Amount claimed is Rs. 3,57,000/-.	Kuvempu University enrolled the student in the course and after completion thereof the University was to certify him. NIIT had only provided its infrastructure to the said university for using the same as their Study Centre. Any allegation of non-recognition of certificate by the said university is to be answered by the said university. State Commission has stayed the execution.	For final arguments.	-
23	NIIT Vs. Sashi Rathore & Anr	State Commission, Madhya Pradesh	The Complainant who was enrolled at NIIT Gwalior Centre has alleged delay in delivery of the Course in which she enrolled. Hence, she is claiming refund and compensation @ Rs. 1,50,000/-.	The NIIT Gwalior Centre was abruptly closed down by the then Licensee. Immediately, another licensee was introduced at Gwalior and all learners including the Complainant were notified by the Company to continue their Courses at the new Centre. However, the Complainant did not avail the option to continue her course at the new Centre.		-
24	NIIT Vs. Hemant Bhardwaj & Anr	State Commission, Madhya Pradesh	The Complainant who was enrolled at NIIT Gwalior Centre has alleged delay in delivery of the Course in which she enrolled. Hence the Complainant is claiming refund and compensation @ Rs. 1,50,000/-.	The NIIT Gwalior Centre was abruptly closed down by the then Licensee. Immediately, another licensee was introduced at Gwalior and all learners including the Complainant were notified to by the Company continue their Courses at the new Centre. However, the Complainant did not avail the option to continue her course at the new Centre.		-

S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
25	Namdev Shivaji Sapte Vs. Director NIIT Limited	District Consumer Forum Latur, Maharashtra	The Complainant look admission in NIIT Course. After taking admission and commencement of his batch, he did not want to pursue the Course and wants refund. Claimed for refund of fee and compensation @ 55,000/-.	As per terms of admission, any refund of the fee is possible only before the batch of learner commences. On the other hand, the request for refund was made by the Complainant, long after commencement of the batch.	For filing of rejoinder.	-
26	Jaswinder Singh Vs. Tawi Computers	District Consumer Forum Jammu, J&K	The allegation in the Complaint is that the quality and standard of teaching at NIIT Centre of the Licensee was of substandard. Hence deficiency of service. The amount claimed for refund and compensation is Rs. 1,00,000/-.	The teaching faculty were duly certified and having sufficient experience. None of the learners of the batch in which the Complainant was enrolled, complained of any such problem.	For final arguments.	-
27	Anoop Purohit Vs Translease & NIIT	District Consumer Forum Gurgaon	Car leasing under the company scheme. The Complainant, an ex-employee of NIIT who availed Car, is seeking transfer of ownership while disputing the foreclosure amount.	M/s Translease, the leasing company is the owner of the Car availed by the Complainant and the ownership is to be transferred by the said company. The prayers in the complaint cannot be enforced against the Company.	For filing of Reply.	-
28	Kush Prakash Srivastava Vs NIIT	District Consumer Forum Gautam Budh Nagar	Seeking refund of Fee 15 days after commencement of training of his Batch	As per terms of admission, any refund of the fee is possible only before the batch of learner commences. On the other hand, the request for refund was made by the Complainant, long after commencement of the batch.	For appearance	New Case

S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
29	Excise Case against the Manager, Commercial, NIIT Limited	the Metropolitan Magistrate at Mayo Hall, Bengaluru	A Suo Moto FIR was registered by Excise Sub-Inspector, Ashok Nagar Range, Bengaluru against one D. D. Manju, S/o. Ergowda and the Manager, Commercial of the Company under the provisions of the Excise Act 1965. The allegation is that a scooter owned by the Company was found to be carrying illicit liquor.	The scooter was provided to an employee under the then vehicle scheme who opted to purchase the vehicle at the time she left the Company. Therefore, the scooter in question was not under the Company's possession when the crime is alleged to have been committed.	For further proceedings.	
30	Mukesh Bansal & Rajendra Singh Pawar Vs. State of Rajasthan	Rajasthan High Court at Jodhpur	An FIR was filed against Mukesh Bansal, the then licensee and Rajendra Singh Pawar, the Chairman of NIIT Limited by an ex-student of the then NIIT Jalori Gate Centre, Jodhpur which was run by the then licensee. The allegation was that the complainant was not provided Professional Practice under GNIT Course. Final Report was filed in 2015 by the police inter-alia for the reasons that the dispute was founded on civil contract. The same was accepted by the learned court of MM also. However the complainant challenged the Final Report before the ASJ which ordered that the learned MM should look into the matter afresh. NIIT has accordingly filed Revision Petition before the Rajasthan High Court which while issuing the notice, called for the records of the case.		The matter is pending for adjudication.	

S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
31	FIR filed by Major Pankaj Rai	Cyber Crime Police Station, Rachkonda, Telangana	<p>This FIR has been filed by an ex licensee of the Company at Hyderabad under Section 66 and 43 of Information Technology Act against the Promoters and CEO of NIIT Limited after the previous two were closed by the Police.</p> <p>The allegation is that the Company has hacked the student data which the ex licensee was feeding into the Company's own computer network in terms of the mandate upon him under the License Agreement. The police has not issued any summons to the Company or promoters/CEO to join the investigation.</p>			
32	SFIO Vs. M/s SHARK COMMUNICATION PVT. LTD. & Ors.	ACMM, Special Acts, Tis Hazari, Delhi	<p>Serious Fraud Investigation Office, Ministry of Corporate Affairs, Government of India ("SFIO") had filed a complaint with the Additional Chief Metropolitan Magistrate, Special Acts, Tis Hazari Court against certain persons and entities, for alleged violations of certain provisions of the Companies Act, 1956 and the Indian Penal Code, 1860. The ACMM has taken cognizance of the complaint and issued summons to all the accused and additionally also to the Company.</p>	<p>The summoning order has been filed without jurisdiction. Accordingly, the Company has filed Revision Petition against the summoning order.</p>	<p>SFIO is to supply the complete set of complaint. The Revision Petition is pending for arguments.</p>	<p>The Revision Petition is pending for final order.</p>

S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
33	ROC Vs. Coforge Smartserve Limited	ACMM, Special Acts, Tis Hazari, Delhi	This complaint relates to Financial Year 2016-17 when the Company i.e., M/s. Coforge Smartserve Limited, formerly known as M/s NIIT Smartserve Limited, was required to get a Secretarial Audit conducted as per the provisions of the Section 204 of the Companies Act, 2013. One of the Promoters of the Company, who was non-executive director of the said company at the relevant point in time, has also been made accused in the Complaint.	It is also admitted that secretarial audit was conducted during the period, the complaint was filed by ROC because inadvertently the said company failed to file the report of secretarial audit. For all other accused, the said company has already applied and paid the compounding charges. The Revision has been filed for quashing the summoning order inter alia on the above grounds as also on the ground that non-executive director of a company cannot be summoned for the offence.	The Revision Petition is pending for orders.	-
34	Future Generali Insurance Vs. NIIT Ltd	Saket Courts, New Delhi	Case pertains to fire that took place at the then NIIT Connaught Place Centre located at Hamilton House, Connaught Place, New Delhi. This case has been filed by the Insurer of occupant of another premise which got affected due to fire to recover the claim on account of damage and compensation. Amount claimed is 13,60,08,001/-.	The fire was caused by the 'short circuit' which is beyond control of anyone. Even otherwise, the NIIT Centre was insured by its insurer, which has taken control of the litigation.	For evidence.	-
35	UGC Vs. Punit Kumar Das & Others	Supreme Court of India	This SLP has been filed by the UGC against Order of Guwahati HC which held that BSC IT program offered by Kuvempu University in distance mode till August 2012 was valid. The Company is named because NIIT Centre was used by the said University as its Study Centre.	UGC was not the regulator of distance education at the relevant point in time.	Pending for hearing.	-

S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
36	Mrs. D Sumithra & Ors Vs. R.J Thayamana-samy & Ors.	Chennai Civil Court	This is a civil suit filed by the landlord of the ex-licensee in respect of premise for recovery of rent and possession of the premise from which the latter was running his center. The suit has been filed against the ex-licensee as also against the Company. The amount claimed is 39,51,600/-.	There is no privity of contract between the Company and the landlord so as to have any cause of action against the Company to file civil suit against it.	For argument on application.	-
37	M/s Franchisee Leasing & Finance (P) Ltd. Vs. NIIT Limited	Arbitration	This arbitration proceeding was initiated by an ex licensee Mumbai. The License Agreement executed with him was terminated by efflux of time. However, he has claimed for loss of business due to non-renewal and amount spent in buying the courseware apart from other sundry claims amounting to Rs. 1,00,73,664/-.	The Claim not maintainable in view of the agreement between the parties. NIIT has filed its Counter Claim to the tune of Rs. 10,77,794/-.	Adjourned to facilitate the Claimant take certain steps.	-
38	Pankaj Rai Vs. NIIT	Arbitration	This arbitration proceeding has been initiated by an ex-licensee of the Company from Hyderabad. The arbitrator was appointed by Delhi High Court pursuant to an application under Section 11 of the Arbitration & Conciliation Act.	The arbitration proceeding has been initiated by the ex-licensee even after he has fully and finally settled all his claims. Accordingly, NIIT took the objection that there was no cause of action for the Claimant to invoke arbitration. The Delhi High Court, while appointing the arbitrator, has observed that the question of said cause of action shall be decided by the learned arbitrator.	Pending for filing of Statement of Claim.	-



S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
39	Major Pankaj Rai Vs NIIT Limited	Competition Commission of India (CCI)	This is the second complaint filed by an ex-licensee of the Company from Hyderabad alleging that NIIT has violated the Competition Act.	The complainant had filed a complaint before CCI in 2017 making substantially the same allegations which were rejected by the CCI. The said rejection was maintained throughout in appeal by NCLAT and in second appeal by the Hon'ble Supreme Court of India. Therefore, the second complaint is hit by the principles of res judicata.	Order reserved.	Dismissed in Favour of the Company
40	Prabir Kumar Das Vs. NIIT Limited & Others	CIVIL JUDGE NO.2 KAMPRUP (M) AT GUWAHATI	The plaintiff is an ex service provider of the Company under the relevant agreement. He has filed the recovery suit against the Company inter alia praying for a decree for payment of INR 18,67,054/- as also for payment way of refund of Rs. 2,80,900/-.	The Plaintiff has failed to discharge his obligations under the agreement between the parties to claim any sum. The Company has filed application under Section 8 of Arbitration & Conciliation Act for dismissing the Suit and referring the parties to arbitration.	For service of other defendants.	-
41	Siddharth Ramkrishna Nayak Vs. NIIT Limited	Civil Judge, Gurgaon	This is a civil suit filed by an ex service provider of the Company who was engaged for delivering training to the learners. The plaintiff has prayed for recovery of outstanding fee as also the damages @ Rs. 1,50,000/-.	Time barred suit. Plaintiff was found committing misconduct.	For further proceedings.	-
42	Avdesh Prasad Vs NIIT Limited & Peregrine	Labour Court, Gurgaon	Labour Case filed against the security service provider of the Company. The Workman claims himself to be an employee of Peregrine who was deployed at the Company's office. The Workman is seeking reinstatement with back wages against Peregrine as employer and the Company as the principal employer.	The security service provider is a separate establishment and the personnel employed by it work under its complete supervision and control. Therefore, the Company was not the principal employer of the Workman.	For evidence.	-

S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
43	Ramya G Vs. NIIT Limited & Others	City Civil Court, Madras	This is a civil suit filed by a student of NIIT Centre at Chennai. She took admission in GNIT Course. The Plaintiff has prayed for injunction against the Company for issuing either certificate of GNIT Course or refund the course fee @ Rs. 2,65,566/- apart from damages @ Rs. 1,00,000/-.	The Plaintiff has failed to clear the examinations despite she was provided five opportunities to do the same. Hence, the Company cannot issue certificate or refund the fee to the Plaintiff.	For filing of Written Statement.	-
44	NIIT Limited Vs EPFO & Another	Karnataka High Court at Dharwad	The Company has filed a writ petition challenging an order dated of the Regional Provident Fund Commissioner (RPF), Ballary whereby he held that the dues assessed under Section 7-A of the EPF & Misc. Provisions Act, against an ex Licensee of the Company was recoverable from the Company. The grounds on which the aforesaid Order has been challenged are inter alia the fact that the Company was not party to the assessment proceeding and that the ex-franchisee was a separate establishment having their own PF Code.		There is stay of the Order and the writ petition is pending.	-

S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
45	NIIT Limited Vs. the Regional Provident Fund Commissioner	Delhi High Court	<p>The Company has filed a writ petition challenging issuance of notice under Section 7-A of the EPF &amp; Misc. Provisions Act by the EPFO, Delhi; for determining the alleged liability of the Company towards PF contribution on account of the faculties allegedly deployed by the Company in Karnataka schools under IT Education Project awarded to it by the Govt of Karnataka. The grounds on which the aforesaid Order has been challenged are inter-alia the fact that each of the faculties deployed in the aforesaid project were in fact deployed by the ex-licensees of the Company. Those service providers were separate establishments having their own PF Codes. Secondly, the EPFO, Delhi has no territorial jurisdiction over the subject matter situated in the state of Karnataka.</p>		<p>There is stay of the Order and the writ petition is pending.</p>	
46	NIIT Limited Vs. Mumbai Metropolitan Regional Development Authority	Bombay City Civil Court, Borivali Division at Dindoshi, Goregaon, Mumbai	<p>The Company has filed a civil suit wherein it has prayed that the Letter whereby Metropolitan Regional Development Authority ordered the Company to demolish certain portion of its property located at the Bandra Kurla Complex, Mumbai, be declared null and void. The Court granted the stay of operation of the aforesaid order and the suit is pending for adjudication. However, vide Order dated 06.04.2022, the Court vacated the interim stay. Accordingly, the Company approached the High Court at Mumbai and got the interim protection restored.</p>		<p>Suit is listed for evidence.</p>	

S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
47	Vishad Kumar Pandey Vs. NIIT Yuva Jyoti Limited	Labour Court, Gorakhpur, UP	The Claimant was an employee of NIIT Yuva Jyoti Limited (now the liability taken over by the Company). He has filed the case for reinstatement and back wages.	The Claimant was a teacher and therefore he cannot claim to be a Workman so as to invoke the provisions of Industrial Disputes Act and approach the Labour Court.	For further proceedings.	-
48	Shivraj Bairwa & Ors Vs. State of Rajasthan & Ors	Rajasthan High Court, Jaipur	Writ petition filed against the Govt of Rajasthan and the Company to allow the Petitioners continue working as school coordinators in the schools in Rajasthan.	The Company has completed and handed over the project long time back to the Govt of Rajasthan. It is for the Govt of Rajasthan to consider the case of the Petitioners.	Pending.	-
49	NIIT Limited Vs. The State of Rajasthan & Another	Rajasthan High Court, Jaipur	The Company has filed a writ petition challenging demand of Rs. 1,81,82,324/- made upon the Company to pay as the deficient sum payable towards the lease consideration of the land allotted to the Company by the Govt of Rajasthan. The grounds upon which the aforesaid notices are challenged that are that the aforesaid demand is contrary to the provisions of Conditions for (Allotment of Unoccupied Govt. Agricultural Lands for the Construction of Schools, Colleges, Dispensaries, Dharmshala and Other Buildings of Public Utility) 1963.		The Stay of demand was granted by the Court. The case is pending for adjudication.	-

S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
50	NIIT Limited Vs Deputy Commissioner (CT), Hyderabad & Ors.	Supreme Court of India	Demand of Works Contract tax on transfer of goods for Assessment Years 2002-03, 2003-04 & 2004-05. Four SIPs were filed against the order of Telangana High Court; Amount claimed -INR 31.32 Mn	The very definition of Works Contract under AP GST Act requires that during the execution of the contract there has to be transfer of ownership in goods. However, in the said case there is no transfer of goods while executing the contract. The goods have been transferred after completion of the contract and hence does not fall within the definition of Works Contract.	For arguments	Company has opted for One Time Settlement Scheme (OTS) with the Government of Telangana. The company has also received the letter of Acceptance from Government of Telangana for settlement of the litigation and has deposited the requisite amount. The company has filed withdrawal memos before the Apex Court.
51	NIIT Limited Vs State of Andhra Pradesh	Telangana VAT Tribunal, Hyderabad	Demand against utilization of C- Form for procurement of goods for self-consumption for Assessment Years 06/2005 to 11/2011; Amount claimed- INR-44.57 Mn	Department contended that C-forms cannot be used for self-consumption, therefore utilization of C-Forms is not permissible for aforesaid transactions. The demand is not sustainable as the ownership of the goods has been transferred after completion of the contract.	For arguments.	Company has opted for One Time Settlement Scheme (OTS) with the Government of Telangana. The company has also received the letter of Acceptance from Government of Telangana for settlement of the litigation and has deposited the requisite amount. The company had filed withdrawal memo before the VAT Tribunal and Tribunal has passed the Order for withdrawal of appeal pursuant to OTS.

S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
52	NIIT Limited Vs Deputy Commissioner of Income Tax, Central Circle-20, New Delhi	CIT(Appeals)-XXVII, New Delhi	Demand for alleged claim of Deduction of Finance Lease & value considered for computation of Long Term Capital Gains Assessment Year 2009-10  Claim Amount: - INR 3.09 Mn	-The matter related to deduction of finance lease has already been decided in the favour of the company by the ITAT Delhi, therefore demand levied will not survive.  -Similar the demand on account of Long Term Capital Gains will not survive as there are plethora of judgments on similar issues by various appellate authorities	For arguments.	The matter has been decided in favour of the Company
53	NIIT Limited Vs Deputy Commissioner of Income Tax, Central Circle-16, New Delhi	CIT(Appeals)-44, New Delhi	Demand raised on account of denial of deduction U/s 10B of the Income Tax Act, Finance Lease expenses and addition on account of Transfer Pricing mark up for Assessment Year 2010-11  Claim amount: - INR 20.38 Mn	The eligibility of Company to claim deduction under section 10B has been decided in favour of the company in the previous assessment years by Learned CIT(A)-Delhi/ITAT-Delhi /Delhi High Court;  The eligibility of claim of Finance Lease Expenses has been decided in favour of the Company by Hon'ble ITAT for AY 2009-10, AY 2012-13 and AY 2014-15  Further in case of TP additions, the comparable selected by the TPO are of functionally dissimilar companies and the mark up selected by TPO have already been rejected in multiple cases by the Appellate authorities	Adjourned Sine Die	-

S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
54	NIIT Limited Vs Deputy Commissioner of Income Tax, Central Circle-20, New Delhi	CIT(Appeals)-44, New Delhi	Demand raised on account of denial of deduction u/s 10B, Finance Lease expenses and addition on account of Transfer Pricing markup & Corporate Guarantee for Assessment Year 2011-12 Claim amount: - INR 53.46 Mn	The eligibility of Company to claim deduction under section 10B has been decided in favour of the company in the previous assessment years by Learned CIT(A)-Delhi/ITAT- Delhi /Delhi High Court; The eligibility of claim of Finance Lease Expenses has been decided in favour of the Company by Hon'ble ITAT for AY 2009-10, AY 2012-13 and AY 2014-15 Further in case of TP additions, the comparable selected by the TPO are of functionally dissimilar companies and the mark up selected by TPO have already been rejected in multiple cases by the Appellate authorities Further in case of Corporate Guarantee Charge, the recovery done by the company has already been upheld by various Appellate authorities in similar cases	Adjourned Sine Die	.
55	NIIT Limited Vs Assistant Commissioner of Income Tax, Central Circle-20, New Delhi	CIT(Appeals)-44, New Delhi	Demand raised on account of denial of deduction for Finance Lease expenses and addition on account of Transfer Pricing -Corporate Guarantee for Assessment Year 2013-14 Claim amount: - INR 4.8 Mn	The eligibility of claim of Finance Lease Expenses has been decided in favour of the Company by Hon'ble ITAT for AY 2009-10, AY 2012-13 and AY 2014-15 Further in case of Corporate Guarantee Charge, the recovery done by the company has already been upheld by various Appellate authorities in similar cases	Adjourned Sine Die	.

S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
56	Assistant Commissioner of Income Tax, Circle 2 Vs NIIT Online Learning Limited	ITAT Delhi	Demand raised on account of disallowance of Depreciation on Import of Software for Assessment Year 2002-03 to 2004-05 Claim amount: - NIL	The disallowance is likely to be deleted as:- a) The assessment was concluded u/s 153A without having the jurisdictional validity due to absence of search warrant b) The claim has already been allowed by CIT(A) c) The hearing at ITAT has also been concluded	Order Reserved	Order passed by ITAT Delhi dismissing the appeal of Revenue
57	NIIT Online Learning Limited Vs Asstt. Commissioner of Income Tax, Circle 13 (1), New Delhi	CIT(A)- Delhi	Demand raised on account of disallowance of certain expenses for Assessment Year 2001-02 Claim amount: - NIL	The additions are not sustainable as there are settled judicial precedences which permit such claim of expenses	For arguments.	-
58	NIIT Ltd Vs Assistant Commissioner of Income Tax Central Circle-8, New Delhi	ITAT Delhi	Disallowance on Account of Import of Software and Interest Free loan to subsidiary. Demand- NIL	The additions are not sustainable as the additions have already been deleted by the Learned CIT(A)	For arguments.	-
59	NIIT Ltd Vs Commissioner of Income Tax (Central) New Delhi	High Court	No Tax Demand Ascertained at this stage Assessment Year 1999-00	The Company had received Show Cause Notices under section 263 of the Income Tax Act, 1961, issued by the CIT for the Assessment years 1999-00 to 2005-06, who later issued Orders directing the Assessing Officer for re-assessment on certain items. The orders passed by the CIT u/s 263 for AY 1999-00 to AY 2005-06 have been challenged by the Company in the Income Tax Appellate Tribunal ('the Tribunal'). The Tribunal has since passed order for AY 1999-00 wherein the Tribunal has decided the issue of assumption of jurisdiction against the Company and on merits. The Company has filed an appeal before the Hon'ble High Court of Delhi against the aforesaid order of the Tribunal which is pending for disposal. At this stage there is no ascertained/quantified demands.	For arguments.	-



S.No.	Title	Court/Forum	Claim and Amount	Defence	Current Status	Status as on date
60	NIIT Ltd Vs Commissioner of Income Tax (Central-II) New Delhi	ITAT Delhi	No Tax Demand Ascertained at this stage Assessment Year: - 2000-01 to 2005-06		For arguments.	-
61	NIIT Limited Vs Commissioner, CGST Delhi East	CESTAT New Delhi	Rejection of Service Tax paid by the company Demand- NIL Refund of Tax paid company	Since services rendered under Service Tax Regime were deficient in nature and company had raised credit notes to the customers, Service Tax paid under the Act is ought to be refunded	For arguments.	-
62	Principal Commissioner of Income Tax, New Delhi Vs NIIT Limited	High Court of Delhi	Demand raised on account of denial of deduction u/s 10B of the Income Tax Act, Assessment Year 2006-07 Claim amount: - INR 41.60 Mn (disallowance), INR 93.3 Mn (Tax Demand including Interest)	The eligibility of Company to claim deduction under section 10B has been decided in favour of the company by Learned CIT(A)-Delhi/ITAT-Delhi in AY 2006-07, 2007-08 & AY 2008-09 and Delhi High Court in AY 2008-09;	For Arguments	-
63	Principal Commissioner of Income Tax, New Delhi Vs NIIT Limited	High Court of Delhi	Demand raised on account of denial of deduction u/s 10B of the Income Tax Act, Assessment Year 2007-08 Claim amount: - INR 250.13 Mn (disallowance), INR 85.52 Mn	The eligibility of Company to claim deduction under section 10B has been decided in favour of the company by Learned CIT(A)-Delhi/ITAT-Delhi in AY 2006-07, 2007-08 & AY 2008-09 and Delhi High Court in AY 2008-09.	For Arguments	-

**THIS IS AN ABRIDGED PROSPECTUS WHICH IS BEING ISSUED IN COMPLIANCE WITH THE PROVISIONS OF SEBI CIRCULAR NO. SEBI/HO/CFD/SSEP/CIR/P/2022/14 DATED FEBRUARY 04, 2022 READ WITH MASTER CIRCULAR BEARING NUMBER SEBI/HO/CFD/DIL1/CIR/P/2021/000000665 DATED NOVEMBER 23, 2021 FOR THE COMPOSITE SCHEME OF ARRANGEMENT BETWEEN NIIT LIMITED ("NIIT"/ "THE TRANSFEROR COMPANY") AND NIIT LEARNING SYSTEMS LIMITED ("NLSL"/ "THE COMPANY"/ "THE TRANSFEREE COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS ("SCHEME"). THIS DOCUMENT SHOULD BE READ TOGETHER WITH THE SCHEME APPROVED BY THE BOARD OF DIRECTORS ON JANUARY 28, 2022. THE ABRIDGED PROSPECTUS DOES NOT PURPORT TO INCLUDE THE COMPLETE INFORMATION OF THE COMPANY INCLUDING ITS BUSINESS, OPERATIONS, ASSETS, AND LIABILITIES.**

Nothing in this abridged prospectus constitutes an offer or an invitation by or on behalf of either the Company or NIIT to subscribe for or purchase any of the securities of the Company.

**THIS ABRIDGED PROSPECTUS CONTAINS 10 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES**



**NIIT Learning Systems Limited**

(Formerly MindChampion Learning Systems Limited)

**Corporate Identification Number:** U72200HR2001PLC099478;

**Date of Incorporation:** July 16, 2001

**Regd. & Corp. Office:** Plot No. 85 Sector 32, Institutional Area, Gurugram – 122001, Haryana, India

**Contact Person:** Siddharth Nath, Company Secretary

**Tel. No.:** +91 124 429 3000; **Fax No.:** +91 124 429 3333

**E-mail:** [info@niit.com](mailto:info@niit.com)

**Website:** [www.niitnguru.com](http://www.niitnguru.com)

#### **NAME OF PROMOTERS OF THE NIIT LEARNING SYSTEMS LIMITED**

As on the date of Abridged Prospectus, the Company is a wholly owned subsidiary of NIIT and NIIT is Promoter of the Company.

#### **GENERAL RISK**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking any decision in relation to the scheme. For taking any decision, investors must rely on their own examination of the company and the scheme including the risk involved. Specific attention of the investors is invited to the section titled "Risk Factors" on pages 7-8 of this Abridged Prospectus.

#### **MERCHANT BANKER**

**Name:** Corporate Professionals Capital Private Limited

**Address:** D-28, South Extn., Part-I, New Delhi – 110049

**Ph. No.:** +91-11-40622228/ +91-11-40622248/ +91-11-40622218

**Fax. No.:** 91-11-40622201

**Email ID:** [manoj@indiacp.com](mailto:manoj@indiacp.com)/ [ruchika.sharma@indiacp.com](mailto:ruchika.sharma@indiacp.com)

**SEBI Regn. No.:** INM000011435

#### **STATUTORY AUDITORS OF THE COMPANY**

**Name:** S. R. Batliboi & Associates, LLP, Chartered Accountants

**Address:** 2<sup>nd</sup> & 3<sup>rd</sup> Floor, Golf View Corporate Tower B, Sector 42, Gurugram – 122002, Haryana, India

**Tel No.:** +91 124 681 6000; **Fax No.:** +91 124 464 4050

#### **PROCEDURE**

The Board of Directors ("Board") of the Company at their meeting held on January 28, 2022 approved a draft Composite Scheme of Arrangement under Section 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013, ("the Act") including rules made thereunder, relevant provisions of the Income Tax Act, 1961 and any other applicable laws, rules, circulars and regulations (including in each case any amendment(s), statutory modification(s) or re-enactment(s) for the time being in force) between NIIT Limited, the holding company and NIIT Learning Systems Limited and their respective

shareholders/creditors and subject to necessary approvals. Words and expressions, used in capitalized form but not defined in this document, shall have the meaning ascribed to them in the Scheme.

Pursuant to the provisions of the Scheme, post receipt of approval of the Hon’ble National Company Law Tribunal, Chandigarh Bench (“NCLT”) and upon filing the certified copies of the sanction order(s) of the NCLT approving the Scheme with the relevant Registrar of Companies, the Company shall issue and allot its Equity Shares to the shareholders of NIIT, as per the share entitlement ratios set out in the Scheme, as on the record date to be finalized by the Board of Directors of NIIT. No further steps or actions would be required to be undertaken by the shareholders of NIIT to be entitled to receive Equity Shares of the Company.

The Transferee Company shall be making an application for listing of shares issued pursuant to the Scheme. The Equity Shares are proposed to be listed on the National Stock Exchange of India Limited and the BSE Limited (Designated Stock Exchange) {collectively the “Stock Exchanges”} where shares of the Transferor Company are listed.

<b>DETAILS OF PROMOTERS OF NIIT LEARNING SYSTEMS LIMITED</b>			
<b>S.No.</b>	<b>Name</b>	<b>Individual/Corporate</b>	<b>Experience and Educational Qualification</b>
1.	NIIT Limited CIN - L74899DL1981PLC015865 PAN – AAACN0085D Listed: BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”).	Corporate	NIIT Limited is a leading global talent development corporation that is engaged in building skilled human capital and enhancing workforce talent worldwide. The Transferor Company which helped the nascent IT industry overcome its human resource challenges, today ranks among the world’s leading training companies. With a footprint in over 30 countries, the Transferor Company offers training and development solutions to enterprises and individuals through its two businesses – Corporate Learning Group and Skills & Careers Group.

<b>BUSINESS OVERVIEW AND STRATEGY</b>	
<b>Company Overview:</b>	NIIT Learning Systems Limited (“Transferee 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 Transferee 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 Transferee 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 Transferee 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). The email address of the Transferee Company is <a href="mailto:info@niit.com">info@niit.com</a> and website is <a href="http://www.niitnguru.com">www.niitnguru.com</a> .
<b>Product/Service Offering:</b>	The Company is 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 learning administration and management. The business volume has been impacted over the last few

	years due to the impact of the pandemic. The Company rationalized operations and costs to counter this impact. The company expects to leverage its expertise and resources for the growth of the Corporate Learning business post the Scheme.
<b>Revenue Segmentation by product/service offering:</b>	The Company's revenue is classified under single segment i.e., Education & Training Services
<b>Geographies Served:</b>	India and select international geographies
<b>Revenue segmentation by geographies:</b>	India contributed 94% percent of revenue in FY22. Balance revenue was from international markets.
<b>Key Performance Indicators:</b>	Revenue for FY22 was Rs. 91 million. The Company serviced about 900 customers/institutions contracts during the said financial year.
<b>Client Profile or Industries served:</b>	Existing customers are K-12 educational institutions across India and select international markets
<b>Revenue Segmentation in terms of top 5/10 client</b>	Top 5 customers contributed 52% percent of the revenue (including revenue from NIIT) in FY22. Top 10 customers contributed 60% of the revenue (including revenue from NIIT).
<b>Intellectual Property, if any:</b>	Over the years, the Company has invested in content and software solutions for providing managed learning solutions to the education sector. The content solutions are provided under the nGuru and eGuru brand names. The Company uses both owned and licensed Intellectual Property rights in the conduct of its business.
<b>Market Share:</b>	Not Applicable
<b>Manufacturing Plant, if any:</b>	Not Applicable
<b>Employee Strength:</b>	Currently the Company has 53 employees. Post effectiveness of the Scheme, certain employees shall be transferred by NIIT pursuant to the Scheme.

**BOARD OF DIRECTORS OF NIIT LEARNING SYSTEMS LIMITED**

Sr. No.	Name	Designation (Independent/ Whole-time/ Executive/ Nominee)	Experience & Educational Qualification	Other Directorships
1.	Mr. Parappil Rajendran	Chairman (Non-Executive)	<p>Mr. Parappil Rajendran is a member of the core team of NIIT Group that developed and brought the organization to its present position of global standing, since its inception in 1981.</p> <p>He received his degree in Electrical Engineering at Indian Institute of Technology Delhi, India in 1974 and joined KELTRON, a nascent electronic products company set up by Govt. of Kerala, where he worked for eight years. During this period he was involved in marketing, product management and sales of electronic industrial products. Later he moved into the domain of electronic automation and control of power stations.</p> <p>He also serves on the Board of Management of the not-for-profit NIIT University set up in Neemrana,</p>	<p>Indian Companies:</p> <ul style="list-style-type: none"> <li>• NIIT Limited</li> <li>• RPS Consulting Private Limited</li> <li>• NIIT Institute of Finance Banking and Insurance Training Limited</li> <li>• Pace Education and Financial Services Private Limited (formerly known as Pace Education Private Limited)</li> <li>• IT Infrastructure Development Corporation Private Limited</li> <li>• NIIT Network Services Limited</li> </ul>

			<p>Rajasthan with the vision of creating the University of the Future built on the foundation of Industry-linked, Technology-based, Research-driven and Seamless learning.</p> <p>He is also actively engaged with NIIT Foundation, which addresses the skilling and employability needs of youth from the underprivileged segments of the society.</p> <p>He has been associated with the apex industry association, Confederation of Indian Industry (CII) for over a decade. In 2021, he was awarded the IIT Delhi Alumni Award for Outstanding Contribution to National Development for Corporate Excellence.</p>	<ul style="list-style-type: none"> <li>• NIIT Education Services</li> <li>• NIIT Institute of Process Excellence Limited (under liquidation w.e.f. Feb 19, 2020)</li> </ul> <p>Foreign Companies: Nil</p>
2.	Mr. Vijay Kumar Thadani	Non-Executive Director	<p>Vijay Kumar Thadani as the co-founder of NIIT Group, he has built an organization that is recognized for its visionary role in bringing the benefits of Information Technology, both as a professional skill and as a learning tool, to the masses.</p> <p>Vijay has led the Group's globalization efforts since 1991, taking the NIIT flag to over 30 countries and has been actively engaged with many Industry Associations. He served as President of the Indian IT industry association, MAIT and as the Chairman of CII Northern Region. He has also served as the Chairman of the National Accreditation Board for Education and Training (NABET), under the aegis of the Quality Council of India and as the Chairman of Board of Governors of Indian Institute of Information Technology (IIIT), Allahabad.</p> <p>Vijay is the co-founder of the not-for-profit NIIT University, established in 2009 with a vision of being the role model of learning, research, innovation and sustainability for the Knowledge Society. He is currently serving as the Chairman of All India Board of Technician Education constituted by AICTE since January 2020, and also serves on the Governing Council of All India Management Association (AIMA). He is also an Independent Director on the Board of Triveni Turbine Limited. Till recently, he served on the Board of Governors of Indian Institute of Technology (IIT), Delhi and as the Chairman of the Board of Governors of MN National Institute of Technology, Allahabad and</p>	<p>Foreign Companies:</p> <ul style="list-style-type: none"> <li>• NIIT Limited</li> <li>• RPS Consulting Private Limited</li> <li>• NIIT Institute of Finance Banking and Insurance Training Limited</li> <li>• Triveni Turbines Limited</li> <li>• Global Solutions Private Limited</li> <li>• NIIT Institute of Process Excellence Limited (under liquidation w.e.f. Feb 19, 2020)</li> </ul> <p>Foreign Companies:</p> <ul style="list-style-type: none"> <li>• NIIT (USA) Inc. USA</li> <li>• NIIT Limited (U.K.)</li> <li>• NIIT Limited (Ireland)</li> <li>• NIIT Learning Solutions (Canada) Limited</li> <li>• Stackroute Learning Inc. USA</li> <li>• Eagle Training, Spain S.L.U.</li> </ul>

			<p>Chairman of CII's National Committee on Higher Education.</p> <p>A 'Distinguished Alumnus' of the premier Indian Institute of Technology, Delhi, he was honored with the position of 'Economic Consultant' to Chongqing, World's largest city in the People's Republic of China.</p>	
3.	Mr. Sapnesh Kumar Lalla	Non-Executive Director	<p>Mr. Sapnesh Lalla had joined NIIT Group in 1992 and deputed to subsidiary, NIIT USA Inc. in 1996, followed by induction on the subsidiary's board in 2010. He led critical initiatives for the expansion of the company in North America and Europe including significant acquisitions like Cognitive Arts and Element K. Under his leadership, NIIT has grown to become a leading global learning outsourcing solutions provider with its Managed Training Services offering. He served in NIIT India and USA for over 29 years. He started his career as a Project Lead in the Learning Content Development team in 1992. Over time, he has held various management and leadership roles in product management, customer support, channel development, sales, and support functions. Under his able guidance, the Company has earned many awards and accolades from customers and industry. Details provided for recent awards and acknowledgments in Annual Report. He has also featured in number of panel discussions at business TV channels, industry seminars, magazines etc.</p>	<p>Indian Companies:</p> <ul style="list-style-type: none"> <li>• NIIT Limited</li> <li>• RPS Consulting Private Limited</li> <li>• NIIT Institute of Finance Banking and Insurance Training Limited</li> <li>• NIIT Institute of Process Excellence Limited (under liquidation w.e.f. Feb 19, 2020)</li> </ul> <p>Foreign Companies:</p> <ul style="list-style-type: none"> <li>• NIIT (USA) Inc. USA</li> <li>• NIIT Limited (U.K.)</li> <li>• NIIT (Ireland) Limited</li> <li>• NIIT Learning Solutions (Canada) Limited</li> <li>• NIIT China (Shanghai) Limited</li> <li>• Stackroute Learning Inc. USA</li> <li>• Eagle Training, Spain S.L.U.</li> </ul>
4.	Ms. Mita Brahma	Non-Executive Director	<p>Mita Brahma has more than thirty years of rich experience in the consulting, software, banking, and education sectors. Her experience spans strategy, business planning, business operations management, process improvements and human resource management in organizations like the State Bank of India, Nucleus Software, Grow Talent and The Shri Ram group. She currently leads the HR function at NIIT.</p> <p>As a part of her first job with the State Bank of India, Mita has looked after operations in different areas of retail, corporate and institutional banking. As a leader in the HR function, she has led</p>	<p>Indian Companies:</p> <ul style="list-style-type: none"> <li>• Bizmentor Consultancy Services Private Limited</li> <li>• Intelligent Information Systems Private Limited</li> </ul> <p>Foreign Companies: Nil</p>

		<p>large projects in organizational transformation, leadership assessment and development, alignment to vision and values, goal setting and deployment, HR automation; process initiatives for CMM and Six Sigma; and innovative knowledge management processes apart from all operational HR process areas.</p> <p>Mita has straddled the world of industry, academia as well as consulting in her professional career. She has taught at various educational institutions and headed the education business with The Shri Ram Group. She is currently a mentor to a few students at the IIT Delhi and the School of Inspired Leadership, Gurgaon, on a pro bono basis.</p> <p>She has run a consulting firm in the areas of strategic HR and entrepreneurship. In this role, she has helped organizations improve performance through business planning and monitoring initiatives, structural changes and human resource initiatives. In this role, she has used instruments like Caliper, MBTI, Thomas Assessments and Kolbe's Index; designed and administered assessment centres for senior and middle level executives; and managed large scale developmental interventions through the "Large scale interactive process" methodology.</p> <p>Mita has published research articles and book chapters in the Technology Innovation Management Review, ABDC and Web of Science indexed journals, Ivey and Sage Publications journals and Springer publications. She is an active member, reviewer and contributor to the Academy of Management (AOM) and Global Institute of Flexible Systems Management (GIFT).</p> <p>She is a life member of the National HRD Network (NHRDN). She heads the HR functional committee at Delhi Management Association (DMA).</p>	
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<b>SHAREHOLDING PATTERN (AS ON DATE OF THE ABRIDGED PROSPECTUS)</b>			
<b>S. No.</b>	<b>Particulars</b>	<b>Number of Shares (Pre-Scheme)</b>	<b>Percentage holding (Pre-Scheme)</b>
1.	Promoter & Promoter Group	11,55,64,072*	100.00%
2.	Public	Nil	Nil
<b>Total</b>		<b>11,55,64,072*</b>	<b>100.00%</b>

\*NIIT Limited, the Promoter holds entire shareholding along with its 6 Nominee shareholders holding one (1) equity share each.

<b>FINANCIAL INFORMATION [in Rs. Crore, unless stated otherwise]</b>				
<b>Particulars</b>	<b>Unaudited Quarter ended June 30, 2022</b>	<b>Audited Financial Year ended March 31, 2022</b>	<b>Audited Financial Year ended March 31, 2021</b>	<b>Audited Financial Year ended March 31, 2020</b>
Total Income	3.19	10.71	14.58	25.34
Net Profit / (Loss) before tax and Exceptional items	0.51	(0.43)	(11.87)	(17.39)
Net Profit / (Loss) after tax and Exceptional items	0.50	(0.48)	(16.12)	(26.64)
Equity Share Capital	115.56	115.56	115.56	69.06
Reserves and Surplus*	(112.73)	(113.23)	(112.79)	(96.88)
Net Worth	2.83	2.33	2.77	(27.82)
Basic Earnings Per Share (Rs.)	0.04	(0.04)	(1.40)	(3.86)
Diluted Earnings Per Share (Rs.)	0.04	(0.04)	(1.40)	(3.86)
Return on Net Worth (%)	17.78	(20.69)	(582.03)	(95.75)
Net asset value per share (Rs.)	0.25	0.20	0.24	(4.03)

\*Means other equity

#### **INTERNAL RISK FACTORS**

1. The completion of implementation of the Scheme is subject to receipt of various approvals, including approval from shareholders and creditors of NIIT and NLSL, regulatory authorities and the NCLT. In the event that these approvals are not received, NIIT may not be able to effect the transfer of the CLG Business Undertaking to the Company, which will result in its inability to complete the Scheme.
2. 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 of the 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.
3. 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.
4. There are outstanding litigations involving our Company and/or our Promoters which, if determined adversely, may affect our business and financial condition.
5. 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.
6. The Company's operations include usage of IT 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 IT infrastructure is necessary, without which Company's ability to efficiently manage its business and deliver accurate information to various internal and external stakeholders could be impaired.
7. 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.



**SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION**

A. Total number of outstanding litigations against the Company and amount involved<sup>1</sup>:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations <sup>2</sup>	Aggregate amount involved (Rs in crores)
<b>Company</b>						
By the Company	3	-	-	-	3	3.87
Against the Company	-	5	-	-	1	2.50
<b>Directors</b>						
By our Directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-
<b>Promoters</b>						
By Promoters	-	-	-	-	-	-
Against Promoters	3	13	-	-	-	30.33
<b>Subsidiaries</b>						
By Subsidiaries	Not Applicable, since there are no subsidiaries of the Company					
Against Subsidiaries						

<sup>1</sup> 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.

<sup>2</sup> The civil litigation has been considered material if amount involved is more than 1% of the total income of the Company as on March 31, 2022.

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

Sr. No.	Particulars	Litigation filed by	Current Status	Amount involved (in cr.)
1.	The Authority passed assessment order treating the exempted/export turnover as Taxable Turnover for AY 2016-17, based on Best Judgment without providing the opportunity of hearing and raised arbitrary demand. Therefore, the Company has filed the appeal against the order of Assessing Authority/Taxing Authority, ETO Gurugram (East).	NIIT Learning Systems Limited*	Pending before Joint Excise and Taxation Commissioner (Appeals), Haryana	Rs. 1.82
2.	The Authority disallowed depreciation on goodwill for AY 2017-18. Similar matter has already been decided in the favour of the Company by the ITAT Delhi for AY 2015-16 & CIT(A)-Delhi for AY 2016-17, therefore, the Company has filed the appeal against the order of Assessing Authority.	NIIT Learning Systems Limited*	Pending before CIT(A), Delhi	Rs. 0.30
3.	The Authority disallowed depreciation on goodwill for AY 2018-19. Similar matter has already been decided in the favour of the Company by the ITAT Delhi for AY 2015-16 & CIT(A)-Delhi for AY 2016-17, therefore, the Company has filed the appeal against the order of Assessing Authority.	NIIT Learning Systems Limited*	Pending before CIT(A) - Delhi	Rs. 0.16

4.	The complainant is seeking compensation against alleged deficiency of services by the Company in respect of the Quick school ERP Solution sold to the school.	Delhi Public School Jabalpur	Reply to the complainant is yet to be submitted by the Company	Rs. 0.12
5.	The Authority passed assessment order treating the exempted/export turnover as Taxable Turnover for AY 2015-16, based on Best Judgment without providing the opportunity of hearing and raised arbitrary demand. Therefore, the Company has filed the appeal against the order of Assessing Authority/Taxing Authority, ETO Gurugram (East).	NIIT Learning Systems Limited*	Pending before Joint Excise and Taxation Commissioner (Appeals), Haryana	Rs. 0.10

\* The Tax cases 1, 2, 3 & 5 above have been considered against the Company as the initiating assessment order was passed by the authority against the Company and now Company is in appeal against those orders.

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
Excise Case against the Manager, Commercial, NIIT Limited	Metropolitan Magistrate, Mayo Hall, Bengaluru	A suo motu FIR was registered by Excise Sub-Inspector, Ashok Nagar Range, Bengaluru against one D. D. Manju, S/o. Eregowda and the Manager, Commercial of NIIT under Excise Act 1965. The allegation is that a scooter owned by the NIIT was found to be carrying illicit liquor.	For further proceedings.
Mukesh Bansal & Rajendra Singh Pawar Vs. State of Rajasthan	Rajasthan High Court, Jodhpur	An FIR was filed against Mukesh Bansal, the then Licensee and Rajendra Singh Pawar, Chairman of NIIT Limited by an ex-student of the then NIIT Jalori Gate Centre, Jodhpur which was run by the then Licensee. The allegation was that complainant was not provided Professional Practice under GNIIT Course. 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 MM also. However, complainant challenged Final Report before ASJ which ordered that learned MM should look into the matter afresh. NIIT has accordingly filed Revision Petition before the Rajasthan High Court which while issuing the notice, called for the records of case.	Pending for adjudication.
SFIO Vs. M/s Shark Communication Pvt. Ltd. & Ors.	ACMM, Special Acts, Tis Hazari, Delhi	Serious Fraud Investigation Office, Ministry of Corporate Affairs, Government of India (“SFIO”) had filed a complaint with ACMM, Special Acts, Tis Hazari Court against certain persons and entities, for alleged violations of certain provisions of Companies Act, 1956 and Indian Penal Code, 1860. The ACMM has taken cognizance of complaint and issued summons to all the accused and additionally also to NIIT. NIIT has filed revision petition with Addl Sessions Judge.	SFIO is to supply complete set of complaint. Revision Petition is pending for final order.

### RATIONALE OF 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, 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 rationalise its capital structure.

### OTHER IMPORTANT INFORMATION

The Scheme was approved by the Board of Directors of NIIT Learning Systems Limited and NIIT Limited at their respective meetings held on January 28, 2022. The same is subject to the statutory approvals including from Shareholders, National Company Law Tribunal and other relevant authorities as required. Valuation Report and fairness opinion were obtained as referred in the Scheme. The Scheme should be referred to for detailed information.

### DECLARATION

We hereby declare that all the relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the scheme is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this abridged prospectus are true and correct.

**For NIIT Learning Systems Limited**



**P Rajendran**  
Director

DIN: 00042531

**Date:** October 6, 2022



October 07, 2022

Ref. No.: CPC/MB/094/2022-23

To,  
The Board of Directors  
NIIT Learning Systems Limited  
Plot No. 85, Sector 32 Institutional Area,  
Gurugram – 122001,  
Haryana, India

**Subject: Proposed Composite Scheme of Arrangement between NIIT Limited ('NIIT' / 'the Transferor Company') and NIIT Learning Systems Limited ('NLSL' / 'the Transferee Company' / 'the Company') and their respective shareholders and creditors ('the Scheme')**

**Re: Due Diligence Certificate in adherence to SEBI's Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 04, 2022, read with SEBI's Master Circular bearing number SEBI/HO/CFD/DIL1/CIR/P/2021/000000665 dated November 23, 2021**

Dear Sir(s),

This is in reference to our engagement for providing Due Diligence Certificate ("Certificate") on the accuracy and adequacy of the disclosures made in the Abridged Prospectus by NIIT Learning Systems Limited as per the format provided in Part E of Schedule VI of SEBI (ICDR) Regulations, 2018 as amended from time to time, read with the SEBI's Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 04, 2022 and SEBI's master circular bearing number SEBI/HO/CFD/DIL1/CIR/P/2021/000000665 dated November 23, 2021 ('SEBI Circulars').

The Scheme, under Section 230 to Section 232 read with section 66 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) thereof), has been approved by the Board of Directors of the Company on January 28, 2022 and shall be effective from the Appointed Date i.e., April 1, 2022 or such other date as may be fixed or approved by the Hon'ble National Company Law Tribunal or any other Appropriate Authority.

The information contained herein and our Certificate is intended only for the sole use of captioned purpose of obtaining requisite approvals as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circulars.



Corporate Professionals Capital Private Limited

CIN - U74899DL2000PTC104508

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[www.corporateprofessionals.com](http://www.corporateprofessionals.com)

**SCOPE AND LIMITATIONS:**

- This Certificate is for a specific purpose and is issued in terms of and in compliance with the SEBI Circulars and hence should not be used for any other purpose or transaction.
- Our due diligence and result are specific to the date of this Certificate and based on information as at October 06, 2022. Further, we have no responsibility to update this Certificate on the circumstances or events after the date hereof.
- We have relied upon the financials and the information and representations furnished to us by the management of the Company and the information available in public domain and have not carried out any audit of such information. Our work does not constitute audit of financials including working results of the Company and accordingly, we are unable to and do not express an opinion on the fairness of any financial information referred to in the Abridged Prospectus.
- This Certificate is issued on the undertaking that the Company has drawn our attention to all the matters, which it was aware of concerning inter-alia its financial position, business, and any other matter, which may have an impact on our Certificate, including any material risk concerning the Company or likely to take place in the financial position of the Company or its business.
- We shall not be liable for any losses whether financial or otherwise or expenses arising directly or indirectly out of the use of reliance on the information set out here in this Certificate.
- Our opinion is not, nor should it be construed as our opining or certifying the compliance with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon, except for the purpose expressly mentioned herein.

**CONCLUSION:**

In the circumstances, having regard to all relevant factors, on the basis of information and explanations given to us and on the basis of due diligence conducted by us, we certify as on the date hereof, that the disclosures made in the Abridged Prospectus dated October 06, 2022, is in conformity with the relevant documents, materials and other papers related to the Company and are fair, accurate and adequate.

Yours Faithfully,

For Corporate Professionals Capital Private Limited



  
 (Manoj Kumar)  
 Partner and Head of Tax and Transactions