



MANAGED
TRAINING
SERVICES

CORPORATE GOVERNANCE REPORT

NIIT Learning Systems Limited

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') shall become applicable to the Company after listing of shares pursuant to the Scheme, i.e. the date when the equity shares of the Company get listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE').

During FY23, the Company was unlisted wholly owned subsidiary of a public limited company. Therefore, various provisions of the Companies Act, 2013 viz; related to Independent Directors, Committee etc. were not applicable to the Company. In addition, Listing Regulations were also not applicable to the Company. This Section along with the Section on Management Discussion & Analysis, provides report on the Company's compliance with Schedule V of Listing Regulations, voluntarily as a good governance.

Your Company's philosophy on Corporate Governance is aimed at maximizing the stakeholders' interests and corporate goals through the efficient conduct of its business and meeting obligations in a manner that is guided by transparency, accountability and integrity. We consider stakeholders as partners in our success and are committed to maximizing stakeholders' value, be it shareholders, employees, customers, vendors, governments or the community at large. We believe that following global practices, transparent disclosures and empowerment of stakeholders are as necessary as delivering solid financial results, for creating and sustaining value for shareholders and meeting expectations of customers and society.

NLSL's Corporate Governance system provides a fundamental framework to execute its business in line with business ethics. NLSL shall not only adheres to the prescribed Corporate Governance Practices as per the Securities and

Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") but is also committed to sound Corporate Governance principles and practices. Your Company shall take proactive approach and revisit its governance practices from time to time so as to meet business and regulatory needs. The Company has ensured stability in a dynamic environment and in challenging times.

Composition of Board

Your Company is managed and guided by a professional Board comprising Executive, Non-Executive and Independent Directors. As on March 31, 2023, the Board of Directors of the Company ("the Board") comprised four Non-Executive Directors out of which one was Woman Director.

As on the date of Corporate Governance Report, the Board of Directors of the Company ("the Board") comprises seven Directors out of which three are Independent Directors. The Board has two women directors including one independent woman director. The Company shall appoint one more Independent Director. The Board has diversity in terms of age, expertise, domain experience, gender etc. The composition of the Board of Directors shall be in conformity with the provisions under Regulation 17 of Listing Regulations and the Companies Act, 2013 ("the Act"). The Directors are eminent persons with professional expertise and experience. The Independent Directors of the Company meet all the criteria mandated by the Listing Regulations and Section 149 of the Act. A Brief Profile of each director is available at <https://www.niit.com/en/learning-outsourcing/about-niit/board-of-directors>

The details of the Directors on the Board of the Company including their attendance in Board Meetings and in the last Annual General Meeting ("AGM"), the number of other Boards and Board's Committees they are involved in, are presented below:

Name of Director (DIN)	Designation	Category	Attendance Particulars			No. of Directorships in other Indian Companies*	No. of Memberships/ Chairpersonships in other Board's Committees**	
			No. of Board Meetings under tenure (FY 23)		Last AGM under tenure		Member	Chairperson
			Held	Attended				
Mr. Rajendra Singh Pawar (00042516)	Chairman	Promoter & Non-Executive Director	-	-	-	1	-	-
Mr. Vijay Kumar Thadani (00042527)	Vice Chairman & Managing Director	Promoter & Executive Director	8	8	Yes	3	2	-
Mr. Sapnesh Kumar Lalla (06808242)	Executive Director & Chief Executive Officer	Executive Director	8	8	Yes	2	-	-
Mr. Ravinder Singh (08398231)	Director	Independent Director	-	-	-	1	1	-
Ms. Sangita Singh (07694463)	Director	Independent Director	-	-	-	-	-	-

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Name of Director (DIN)	Designation	Category	Attendance Particulars			No. of Directorships in other Indian Companies*	No. of Memberships/ Chairpersonships in other Board's Committees**	
			No. of Board Meetings under tenure (FY 23)		Last AGM under tenure		Member	Chairperson
			Held	Attended				
Mr. Ravindra Babu Garikipati (00984163)	Director	Independent Director	-	-	-	3	1	-
Ms. Leher Vijay Thadani (03477205)	Director	Non-Executive / Non-Independent Director	-	-	-	-	-	-
Mr. Parappil Rajendran (00042531)	Director	Non-Executive/Non-Independent Director	8	8	Yes	3	-	-
Ms. Mita Brahma (02060845)	Director	Non-Executive/Non-Independent Director	8	7	Yes	-	-	-

*Directorships do not include private companies, deemed public companies, companies incorporated under Section 8 of the Act and company under voluntary liquidation; information updated as on the date of this report

**Board's Committee for this purpose includes only Audit Committee and Stakeholders' Relationship Committee of public limited companies incorporated in India; information updated as on the date of this report

Note :

- Mr. Ravinder Singh and Ms. Sangita Singh were appointed as Non-Executive/ Independent Director on the Board w.e.f. May 20, 2023
- Mr. Rajendra Singh Pawar, was appointed as Non-executive and Non-Independent Director and Chairman of the Company w.e.f. May 24, 2023
- Mr. Vijay Kumar Thadani, was redesignated as Vice Chairman & Managing Director of the Company w.e.f. May 24, 2023
- Mr. Sapnesh Kumar Lalla, was redesignated as Executive Director & Chief Executive Officer of the Company w.e.f. May 24, 2023
- Mr. Ravindra Babu Garikipati was appointed as Non-Executive/ Independent Director on the Board w.e.f. May 24, 2023
- Ms. Leher Vijay Thadani was appointed as Non-Executive/ Non Independent Director on the Board w.e.f. May 24, 2023
- Mr. Parappil Rajendran and Ms. Mita Brahma, ceased to be directors of the Company w.e.f. May 24, 2023.

Pursuant to Part C of Schedule V of the Listing Regulations, detail of Directors' directorship in other listed entities and category of directorship as on the date of this report, is mentioned below:

S. No.	Name of Director	Name of the Company	Category of Directorship
1	Mr. Rajendra Singh Pawar	NIIT Limited	Executive Chairman
2	Mr. Vijay Kumar Thadani	NIIT Limited	Vice Chairman & Managing Director
		Triveni Turbine Limited	Independent Director
3	Mr. Sapnesh Kumar Lalla	NIIT Limited	Non-Executive/Non-Independent Director
4	Mr. Ravinder Singh	-	-
5	Ms. Sangita Singh	-	-
6	Mr. Ravindra Babu Garikipati	NIIT Limited	Independent Director
		5Paisa Capital Limited	Independent Director
7	Ms. Leher Vijay Thadani	-	-

The Board's role, functions, responsibilities and accountability are clearly defined. The Board is provided with all requisite information as required for effective discharge of its duties and informed decision making, including information as required under the Listing Regulations and the Act. In addition to its primary role of monitoring corporate performance, the function of the Board, inter alia, include:

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

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CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

None of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

The provision of Listing Regulations regarding obtaining a Certificate from a company secretary in practice in respect of the above, was not applicable to the Company for Financial Year 2022-23.

BOARD MEETINGS

During FY23, eight (8) Board meetings were held (May 14, 2022, June 22, 2022, July 22, 2022, September 30, 2022, October 21, 2022, November 04, 2022, January 27, 2023, and March 27, 2023) and gap between two meetings did not exceed one hundred and twenty (120) days. The requisite quorum was present in all the meetings.

The Company holds at least four Board Meetings in a year, within a maximum time gap of one hundred and twenty (120) days between two meetings, inter alia, to review the Financial Results. Besides these, additional Board Meetings are convened as per business needs of the Company. Urgent matters are also approved by the Board by passing resolution(s) through circulation, if required. All Directors on the Board are free to suggest any item for inclusion in the agenda for consideration of the Board.

Details on composition of the Committees as on the date of the Report is as mentioned below :

Name of the Director	Category of Directorship	Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee*
Mr. Rajendra Singh Pawar	Non-Executive	-	Member	-	Member	-
Mr. Vijay Kumar Thadani	Executive	Member	-	Member	Member	Member
Mr. Sapnesh Kumar Lalla	Executive	-	-	-	-	Member
Mr. Ravinder Singh	Independent	Chairperson	Chairperson	Member	Chairperson	Chairperson
Ms. Sangita Singh	Independent	Member	Member	-	-	-
Mr. Ravindra Babu Garikipati	Independent	Member	Member	Chairperson	Member	-
Ms. Leher Vijay Thadani	Non-Executive	-	-	Member	-	-

* Mr. Sanjay Mal – CFO and Mr. Jaydip Gupta – Head Internal Audit are also members of Risk Management Committee.

In addition, as on the date of the Report, there are following Committees amongst others, for efficient and quick decision-making on the affairs of the Company:

- The Operations Committee, to approve the opening/closing of bank accounts, modification in operation of bank accounts, grant of power of attorney/ authorization and such other operational matters.
- The Share Allotment Committee, to approve allotments, splits, consolidations, dematerialisations, rematerialisations and issue of new and duplicate share certificates.
- The Borrowing Committee, to approve the borrowing upto prescribed limits on behalf of the Company.

The directors participated in the meetings of the Board and Committees held during FY 2022-23 through physical/video conferencing/ other audio-visual means. The meetings and agenda items taken up during the meetings complied with the applicable provisions of the Act read with various circulars issued by MCA from time to time. The Board was provided with all relevant information required for its consideration and conduct of business, as applicable.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

There was no Independent Director during FY23 as the Company was not required to appoint, being wholly owned subsidiary of a public limited company.

BOARD'S COMMITTEES

The provisions of the Act and Listing Regulations for constituting Committees were not applicable for FY 23.

After closure of financial year, the Board has constituted following Committees in accordance with the requirements of applicable provisions of the Act and Listing Regulations:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

These Committees also deal with any other matter, as may be assigned by the Board from time to time. Further, the Board may also constitute any other committee for specific purpose, as and when required. The Company Secretary acts as Secretary to these Committees.

Audit Committee

After closure of FY23, the Company has constituted a qualified and Independent Audit Committee in accordance with Regulation 18 of Listing Regulations and Section 177 of the Act and other applicable provisions thereto. More than two-third of the members of the Committee are Independent Directors and each member has rich experience in the financial matters. Statutory Auditors, Internal Auditors and Senior Management Personnel of the Company also attend

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the meetings by invitation. The recommendations of the Audit Committee are placed before the Board for its consideration and approval as applicable.

The Committee also oversees vigil mechanism, as required by the provisions of the Act and Listing Regulations. Further, the Audit Committee considers such other matters as may be referred by the Board or required under the Act/ Listing Regulations and other applicable provisions for the time being in force.

The Audit Committee has been/shall be provided with all relevant information required for its consideration and conduct of business including those mentioned in Part C of Schedule II of Listing Regulations, as applicable.

Nomination and Remuneration Committee

After closure of FY23, the Company has constituted a Nomination and Remuneration Committee ("the Committee"/"NRC") in accordance with Regulation 19 of Listing Regulations and Section 178 of the Act and other applicable provisions. The Committee is constituted to identify persons who are qualified to become directors or who may be appointed in senior management and succession planning and to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, senior management personnel (including key managerial personnel) and other employees and to determine the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out and to review its implementation and compliance. The Committee is also entrusted to frame policies and systems for Employees Stock Option Plans and to formulate and administer the Company's Employees Stock Option Plans from time to time.

The charter of the Committee is in compliance of the Listing Regulations and the Act.

Nomination and Remuneration Policy

After closure of FY23, the Company has adopted Nomination and Remuneration Policy. Nomination and Remuneration Committee has powers to determine and recommend to the Board, the amount of remuneration, including performance-linked bonus and perquisites, payable to Directors, Senior Management Personnel (including key managerial personnel) and other employees.

The recommendations of the Committee are based on the evaluation of the performance and other criteria, as laid down and as per the Company's Rules/Policies. In terms of guidelines, the Company ensures that remuneration payable to Managing Director and Whole-time Directors by way of salary including other allowances and monetary value of perquisites are within the overall limit as specified under the Act and approved by shareholders. Nomination and Remuneration policy of the Company is aimed to reward performance, based on review of achievements on a regular basis. The Policy is available on the website of

the Company and can be accessed through <https://info.niit.com/hubfs/section46-of-the-lodr/code-of-conduct-policies/Nomination%20and%20Remuneration%20Policy.pdf>

The Committee also consider the sitting fee and remuneration payable to non-executive directors of the Company.

Performance Evaluation

The Board had completed its evaluation as per the requirement of Companies Act 2013, as stated in the Board's Report.

The Directors expressed their satisfaction with the evaluation process. The Board was satisfied with the professional expertise and knowledge of each of its Directors. All the Directors effectively contributed to the decision making process by the Board.

Further, the Company shall have the criteria for performance evaluation, which shall cover the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. A separate exercise shall be carried out to evaluate the performance of the Committees and individual Directors including the Chairman of the Board, who shall be evaluated on parameters such as level of engagement and contribution, effective participation in Board/Committee Meetings, independence of judgement, safeguarding the interest of the Company and its minority shareholders, providing expert advice to Board. The performance evaluation of Independent Directors shall be done by the entire Board of Directors. The performance evaluation of Chairman and Non-Independent Directors shall be carried out by the Independent Directors.

Following is the list of core skills/ expertise/ competencies identified by the Board of Directors as required in the context of the Company's business and sector for it to function effectively (Table A) and those actually available with the Board (Table B) :

Table A

S. No.	Skills	Description
1	Leadership	Leadership experience in enterprises, in positions such as MD, CXO - setting goals and with understanding of leading change, practical management of people, products, strategy and industry networking.
2	Board experience & governance oversight in public companies	Experience in working on boards of listed public companies, involved in governance, leading board committees, addressing shareholder concerns
3	Financial	Proficiency in understanding financial reporting, making capital allocation decisions, challenging and help optimise complex financial transactions, help to ensure long-term financial health of the company.

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S. No.	Skills	Description	S. No.	Skills	Description
4	Global business	The company's robust growth is dependent on its business in markets outside India - which contributes over 70% of its business and most of its profits. The board shall be competent in governing a structure involving international company entities.	7	Innovation & entrepreneurship	With the continuous rapid changes in technology and customer behaviour, the company needs to be constantly striving for new products/services to be introduced into markets. The ability for innovation and demonstrating a culture of entrepreneurship is necessary right from the board level.
5	Technology/Talent development industry experience	The company is primarily in the technology business with learning and workforce talent enhancement as main focus areas.	8	M & A	Board needs to have the competence for advising the management on M&A opportunities brought in by them for inorganic growth of the company at a global level.
6	Sales, Marketing & customer service	With the mix of businesses addressed by the company and in the face of competition from global entities, proficiency in sales & marketing directed to enterprises & consumers is an imperative for the board.	9	Legal, risk & compliance Management	With risks of doing in the environment increasing and the statutory compliance needs getting tighter worldwide, board needs to be proficient in directing checks & balances, internal controls, compliances and audit mechanisms.

Table B

In the table below, specific areas of focus or expertise of individual Board members have been highlighted. However, the absence of a mark against the member's name does not necessarily mean the members does not possess the corresponding qualification or skill.

Areas of Expertise	Key Board Qualification Name of the Board Members						
	R S Pawar	V K Thadani	Sapnesh Kumar Lalla	Ravinder Singh	Sangita Singh	Ravindra Babu Garikipati	Leher Vijay Thadani
Leadership	√	√	√	√	√	√	
Board experience & governance oversight in public companies	√	√		√		√	
Financial	√	√	√	√	√	√	√
Global business	√	√	√	√	√	√	√
Technology/Talent development industry experience	√	√	√		√	√	√
Sales, Marketing & customer service	√	√	√	√	√	√	√
Innovation & Entrepreneurship	√	√	√	√	√	√	√
M & A	√	√	√			√	
Legal, risk & compliance Management	√	√		√	√	√	√

Stakeholders' Relationship Committee

After closure of FY23, the Company has constituted a Stakeholders' Relationship Committee in accordance with Regulation 20 of Listing Regulations and Section 178 of the Act.

The Committee was constituted to specifically look into various aspects of interest of shareholders and thus strengthen their relationship with the Company. The charter of Stakeholders' Relationship Committee of the Company is in compliance of the Listing Regulations and the Act.

Corporate Social Responsibility (CSR) Committee

The provisions of Section 135 of the Act regarding constitution of Corporate Social Responsibility Committee were not applicable for FY 23.

After closure of FY23, and in compliance with the requirement of Section 135 of the Act read with the Companies (Corporate Social Responsibility) Rules, 2014, as amended from time to time, the Company has constituted a Corporate Social Responsibility Committee (CSR Committee). Mandate of CSR Committee is in compliance with the provisions of the Act and rules thereto. The CSR Policy of the Company has been formulated and approved by the Board of Directors.

Risk Management Committee (RMC)

After closure of FY23, and in compliance with the requirement of Regulation 21 of Listing Regulations, as amended from time to time, the Company has constituted Risk Management Committee (RMC), voluntarily. Mandate of RMC is in compliance with the provisions of Listing Regulations.

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Terms of reference of Risk Management Committee, are pursuant to Regulation 21 read with Part D of Schedule II of Listing Regulations.

REMUNERATION TO DIRECTORS

There was no Executive Director in the Company during FY23. Further, no remuneration/ sitting fee was paid to the non-executive directors of the Company during FY23.

The non-executive directors play an important role in the governance of the Company and in advising the Board in critical domains like finance, marketing, remuneration, planning and legal matters. Non-executive directors do not have any pecuniary relationship or transactions with the Company. The non-executive directors shall be paid sitting fees for attending the meetings of the Board, Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Risk Management Committee. The Company may pay profit based commission and/or other remuneration to non-executive directors (including independent directors) from time to time within the limits approved by the members in compliance with the applicable provisions of the Act, as may be determined by the Board from time to time.

Detail of shareholding of non-executive directors in the Company as on the date of this Report, is given hereunder:

- Mr. Rajendra Singh Pawar held 155,000 equity shares as first holder with spouse, 427,326 equity shares as second holder with spouse and 2,527 equity shares as Karta of HUF. 22,445,644 equity shares are held by Mr. Rajendra Singh Pawar as trustee of Pawar Family Trust.
- Mr. Ravinder Singh held 432 equity shares as first holder with spouse and 198 equity shares as second holder with spouse.
- No other non-executive director held any equity share in the Company.
- No Stock Option was granted to non-executive directors

Appointment/Re-appointment of Directors

As per the provisions of Section 152 of the Act, Mr. Sapnesh Kumar Lalla (DIN: 06808242) retires by rotation at the forthcoming AGM of the Company, who being eligible, has offered himself for reappointment. The relevant details are provided in the AGM Notice.

Details of other changes in the Board during the FY23 and as on the date of this report, are provided in the Board's Report and in this report hereinbefore.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of Independence as prescribed under the Act and Listing Regulations.

Further, in the opinion of the Board and on the basis of declaration of Independence provided by the Independent Directors, they all fulfil the conditions specified in the Act and Rules made thereunder read with applicable regulations of Listing Regulations, for their appointment as Independent Directors of the Company and are independent of the management.

CODE OF CONDUCT

After closure of FY23, and in accordance to the provisions of Regulation 17(5) of Listing Regulations, the Board has laid down a Code of Conduct for all directors and senior management personnel of the Company. The Code of Conduct is available on the Company's website <https://info.niit.com/hubfs/section46-of-the-lodr/code-of-conduct-policies/Code%20of%20Conduct.pdf>

PROGRAM FOR INDEPENDENT DIRECTORS

The Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment, through a formal letter of appointment outlining his/her role, function, duties and responsibilities as a director. The terms and conditions of the appointment are also placed on the website of the Company. All efforts are made to ensure that they are fully aware of the current state of affairs of the Company and the industry in which it operates. The Company shall extend all support and assistance required in order to facilitate the independent directors to meet /interact with the business heads/ members of the senior management team as and when desired by them. Presentations are/shall be made at the meetings of the Board of Directors, the Audit Committee, the Nomination & Remuneration Committee and the Stakeholders' Relationship Committee, as applicable, by the senior management in relation to the performance of the Company, quarterly and annual results, business strategies, business outlook, various policies, review of internal audit and risk management framework, operations of the Company and its subsidiaries, its business model and strategy, amendments in applicable laws etc. The calendar of Board and Committee Meetings of the Company is scheduled in advance and appropriate notice is served for convening Board and committees Meeting. The minutes of the meetings of various Committees of the Company and minutes of Board Meetings of subsidiary companies are periodically circulated to the Board. All the relevant developments relating to the Company are informed to the Board as and when deemed necessary. Detailed Familiarization Program imparted to Independent Directors shall be available on Company's website <https://info.niit.com/hubfs/section46-of-the-lodr/familiarization-programmes-for-independent-directors.pdf>

Newly appointed directors are provided with the information on the Company through orientation sessions, besides interactive meetings, board presentation etc. In addition, directors were/shall be provided opportunities to attend relevant programs of external agencies.

CEO AND CFO CERTIFICATION

The provision of Regulation 17(8) of the Listing Regulations was not applicable for FY 23.

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GENERAL MEETINGS

Detail on the last three AGM is given hereunder:

Financial Year	Day, Date & Time	Location	Special Resolution(s)
2021-22	Friday, July 29, 2022 at 11:30 a.m.	Held through Video Conferencing / Other Audio Visual Means ("OAVM")	NIL
2020-21	Thursday, August 2, 2021 at 3.30 p.m.	Held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Shifting of Registered Office of the Company from the National Capital Territory (NCT) of Delhi to the State of Haryana
2019-20	Thursday, September 10, 2020 at 4:15 p.m.	Held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	NIL

Book closure/Record date: NIL

Detail on Extra-Ordinary General Meeting held during the last three financial years is given hereunder:

Financial Year	Day, Date & Time	Location	Special Resolution(s)
2022-23	NIL		
2021-22	Thursday, December 02, 2021, at 2:00 PM	Plot No. 85, Sector 32, Institutional Area, Gurugram – 122001, Haryana	Re-appointment of Ms. Leena Khokha as Manager of the Company for a period of three years w.e.f. December 31, 2021
	Friday, January 14, 2022, at 11:00 AM	Plot No. 85, Sector 32, Institutional Area, Gurugram – 122001, Haryana	Approval of change of name of the Company and to alter Memorandum of Association and Articles of Association of Company
	Tuesday, January 25, 2022, at 3:00 PM	Plot No. 85, Sector 32, Institutional Area, Gurugram – 122001, Haryana	Approval of the donation of Intellectual Property Rights (Trademark/ Copyrights/ Patent/ Design etc.) which were not required by Company
	Thursday, March 31, 2022, at 2:00 PM	Plot No. 85, Sector 32, Institutional Area, Gurugram – 122001, Haryana	Approval of related party transaction(s) / agreement(s) pursuant to Composite Scheme of Arrangement

2020-21	Wednesday, August 26, 2020 at 4:30 p.m.	Held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	<ul style="list-style-type: none"> Issue of upto 5 crore Equity Shares of Rs.10 each of the Company at par for an amount aggregating upto Rs.50 crore to NIIT Limited, the holding company/existing shareholder of the Company in one or more tranches, on preferential basis Increase in authorized share capital of the Company from Rs.80 crores divided into 7 crore equity shares of Rs.10/- each and 1 crore Preference Shares of Rs.10/- to Rs.120 crores divided into 12 crores Equity Shares of Rs.10/- by converting existing 1 crore Preference Shares of Rs.10/- each into 1 crore Equity Shares of Rs.10/- each and by creation/addition of new 4 crore Equity Shares of Rs.10/- each
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DISCLOSURES

a) Related Party Transactions

The Company's related party transactions are generally with its subsidiary companies and associate company. The related party Transactions are entered into based on the considerations of various business exigencies and Company's long term strategy. All the transactions entered by the Company during the FY 23 with related parties were in its ordinary course of business and on an arm's length basis. The same are reported under notes to the financial statements.

All related party transactions are regularly/ periodically reviewed and approved/ ratified by the Board, as applicable. For details, please refer Note No. 34 of the Standalone financial statement of the Company.

During the year under review, there were no materially significant related party transactions identified, which may have potential conflict with the interests of the Company at large.

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b) **Total Fees to Statutory Auditor (Pursuant to Part C of Schedule V of the Listing Regulations)**

The total fees for all services paid by the Company and its subsidiaries on consolidated basis to S. R. Batliboi & Associates LLP, Statutory Auditors of the Company and all entities in the network firm/ network entity of which the statutory auditors are a part, aggregated to Rs. 5.31 mn (excluding GST).

c) **Compliance**

There was no requirement to comply with the requirements of the Stock Exchanges, SEBI and Statutory Authorities on matters related to the capital market during the last three years. No penalty or stricture was imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority(ies) during the financial year.

d) **Vigil Mechanism / Whistle Blower Policy**

The Provisions of Section 177 of the Act and Regulation 22 of Listing Regulations, were not applicable to the Company during the financial year ended March 31, 2023.

After the closure of FY23, the Company has adopted a Whistle Blower Policy duly approved by the Audit Committee to report the concerns about any unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Directors or any Official of the Company may report to the Compliance Officer and they have direct access to the Chairperson of the Audit Committee. No personnel has been denied access to the audit committee.

e) **Risk Management**

The Company has procedures to inform the Board Members about the risk assessment and minimization procedures. The Company has constituted a Risk Management Committee also, to review the risk assessment, management & mitigation process. Detailed note on risk & concern is provided in the Management Discussion and Analysis Report, forming part of the Board's Report.

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

There was no fresh public issue/right issue/ preferential issue etc. during FY23.

g) **Inter-se relationship between Directors**

During the year under review none of the Directors were related to each other.

As on date of this report, Mr. Vijay Kumar Thadani, Vice Chairman and Managing Director is father of Ms. Leher Vijay Thadani, Non-executive Director of the Company. Except abovementioned relationships, none of the Directors of the Company are related to each other.

h) **Any recommendation received from any Committee of the Board**

During the year under review, the statutory provisions of the Act and Listing Regulations regarding having the Statutory Committees were not applicable on the Company.

After the closure of financial year, from the date of applicability/constitution of the statutory committees, till the date of this report, the Board of Directors had accepted all recommendation of the Committees of the Board of Directors, which were mandatorily required to be made.

i) **Credit Rating**

During the year under review, the Company did not obtain any credit rating.

j) **As on the date of this report, following Policies are available on the Company's website:**

- Policy on Determining Material Subsidiaries – <https://info.niit.com/hubfs/section46-of-the-lodr/code-of-conduct-policies/Policy%20on%20Determination%20of%20Material%20Subsidiaries.pdf>
- Policy on Related Party Transactions- <https://info.niit.com/hubfs/section46-of-the-lodr/code-of-conduct-policies/Policy-on-Related-Party-Transactions.pdf>
- Policy on Corporate Social Responsibility- <https://info.niit.com/hubfs/section46-of-the-lodr/code-of-conduct-policies/CSR%20Policy.pdf>
- Archival Policy- <https://info.niit.com/hubfs/section46-of-the-lodr/code-of-conduct-policies/Archival%20Policy.pdf>
- Policy on Determination of Material/Price Sensitive Information- <https://info.niit.com/hubfs/section46-of-the-lodr/code-of-conduct-policies/Policy%20for%20determination%20of%20Materiality%20of%20Events.pdf>
- Vigil Mechanism / Whistle Blower Policy – <https://info.niit.com/hubfs/section46-of-the-lodr/code-of-conduct-policies/Whistle%20Blower%20Policy.pdf>
- Dividend Distribution Policy – <https://info.niit.com/hubfs/section46-of-the-lodr/code-of-conduct-policies/Dividend%20Distribution%20Policy.pdf>

COMPLIANCE WITH MANDATORY AND NON MANDATORY REQUIREMENTS OF THE LISTING REGULATIONS

The compliance of mandatory and non-mandatory requirements of the Listing Regulations, were not applicable for FY 23.

As on the date of this Report, the Company is complying with the following discretionary requirements of Regulation 27(1) of the Listing Regulations:

CORPORATE GOVERNANCE REPORT (Contd..)

a) **The Board:**

The Non-executive Chairperson's Office is maintained at Company's expense. He is also entitled for reimbursement of any expenses incurred for performance of his duties.

b) **Shareholders' Rights:**

The Company is sending full financial statements along with the Board's Report and Auditors' Reports to all the shareholders. The Same shall be available on the Company's website i.e., www.niitmts.com.

c) **Modified Opinion(s) in Audit Report:**

The Company have its financial statements with unmodified audit opinion (for both standalone and consolidated) for the financial year ended on March 31, 2023.

d) **Reporting of Internal Auditor:**

The Internal Auditor of the Company reports to the Audit Committee.

Code for Prevention of Insider Trading

The provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, were not applicable for FY 23.

After closure of financial year, and in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI), Policy for procedure of enquiry in case of leak of UPSI and Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons (NLSL Code of Conduct). The said Code(s) lay down guidelines for fair disclosure of UPSI and advises the persons covered under the Code(s) on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them of the consequences of violations. The said Code of Conduct is available on Company's [website-
https://info.niit.com/hubfs/section46-of-the-lodr/code-of-conduct-policies/Code%20of%20Conduct.pdf](https://info.niit.com/hubfs/section46-of-the-lodr/code-of-conduct-policies/Code%20of%20Conduct.pdf)

Accounting Treatment in preparation of Financial Statement:

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.

On May 19, 2023, the National Company Law Tribunal (NCLT), Chandigarh Bench sanctioned/ approved the Composite Scheme of Arrangement, which was made effective on May 24, 2023 upon filing of the certified copy of the NCLT Order sanctioning the Scheme with the respective jurisdictional Registrar of Companies. Pursuant to the Scheme becoming effective, the CLG Business Undertaking ("Demerged Undertaking") is demerged from NIIT and transferred to and vested in NLSL with effect from April 1, 2022 i.e. the Appointed Date as per Scheme.

The transfer of the Demerged Undertaking is accounted for using the pooling of interest method in accordance with Appendix C "Business Combinations of entities under common control" of the Indian Accounting Standard (IND-AS) 103- Business Combinations and the financial statements for the year ended March 31, 2022 have been prepared in accordance with the requirements of Ind AS 103.

Statutory Compliance

The Company has a system in place whereby Chief Executive Officer/Chief Financial Officer/Compliance Officer provides Compliance Certificate to the Board of Directors based on the confirmations received from concerned persons/heads of the Company relating to compliance of various laws, rules, regulations and guidelines applicable to their areas of operation. The Company takes appropriate steps after consulting internally and if necessary, with independent legal counsels to ensure that the business operations are not in contravention of any laws. The Company takes all measures to register and protect Intellectual Property Rights including trade names/service marks/ trademarks/ patents/ copyrights, etc. belonging to the Company.

MEANS OF COMMUNICATION

- the financial results for the quarter and year ended March 31, 2023 are available on the website of the Company <https://www.niit.com/regulation46-of-the-lodr/>. Official news releases, Financial Results, Consolidated news releases, consolidated financial highlights and presentations etc. shall be displayed at the Company's website. The same was/shall also be submitted with the Stock Exchanges where equity shares of the Company shall be listed pursuant to the Scheme.
- the Company shall publish its financial results in the newspapers as per requirement.
- Quarterly Investor's teleconferences and press conferences may be scheduled for the Investors of the Company immediately after the declaration of quarterly financial results. All official press releases, presentations to analysts and institutional investors shall also be available on the Company's website. In addition, these shall be sent to the Stock Exchanges for dissemination.
- The management perspective, business review and financial highlights are part of the Annual Report.

CORPORATE GOVERNANCE REPORT (Contd..)

SHAREHOLDERS' INFORMATION

a. Company Registration Details

The Company's Corporate Identity Number (CIN) is U72200HR2001PLC099478. This may change after listing of shares of the Company.

b. Annual General Meeting (AGM)

Date: Wednesday, September 27, 2023

Time: 10:00 a.m. (IST)

Venue: The meeting will be conducted through VC / OAVM pursuant to the circulars and notifications issued by MCA, Government of India and SEBI. The deemed venue for the AGM shall be the Registered Office of the Company.

c. Financial Year: April 01, 2023 to March 31, 2024

Financial Calendar (tentative and subject to change):

Financial reporting for the first quarter ending June 30, 2023	By August 14, 2023
Financial reporting for the second quarter ending September 30, 2023	By November 14, 2023
Financial reporting for the third quarter ending December 31, 2023	By February 14, 2024
Financial reporting for the quarter/year ending March 31, 2024	By May 30, 2024
Annual General Meeting for the year ending March 31, 2024	By September 30, 2024

d. Dividend

The Directors have not recommended any dividend for the year under review.

e. Record Date for Dividend

NA

f. Listing of Equity Shares

The Equity Shares of the Company shall be listed at the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), pursuant to the Composite Scheme of Arrangement. The applicable listing fees shall be paid to the Stock Exchanges.

g. Stock Market Data

During the year under review, and as on the date of this Report, the Equity Shares of the Company were not listed on the Stock Exchanges. Therefore, the monthly high and low share prices and market capitalization of equity shares of the Company and the comparison in performance of share price of the Company vis-à-vis broad based Indices are not available.

h. Unclaimed/Unpaid Dividend

There is no Unclaimed/Unpaid Dividend in the Company. Therefore, the provisions of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016

("IEPF Rules") for transfer of unpaid/ unclaimed dividend as well as shares on which dividend remain unpaid/ unclaimed for a period of seven consecutive years to IEPF Account, are not applicable on the Company.

i. Loans and advances in which directors are interested

Details of Loans and advances in the nature of loans to firms/companies in which directors are interested (if any) are given in the Notes to the Financial Statement.

j. Material Subsidiaries

Pursuant to the Scheme, the Company has following material subsidiaries on the basis of Financial Statements for the financial year ended March 31, 2023 :

Name of Material Subsidiary	Date of Incorporation	Place of Incorporation	Name of Statutory Auditor	Date of appointment of Statutory Auditor
NIIT (USA) Inc, USA	February 05, 1994	USA	S. R. Batliboi & Associates, LLP	July 23, 2022
NIIT Limited, UK	September 06, 2005	UK	Donald Reid Limited	July 23, 2022
NIIT (Ireland) Limited	June 30, 2015	Ireland	Denis Breen & Co Limited, T/A ProfitPal	July 23, 2022
NIIT Learning Solutions (Canada) Limited	March 10, 2016	Canada	S. R. Batliboi & Associates, LLP	July 23, 2022

k. Nomination Facility

The Act provides for a nomination facility to the shareholders of a company. The Company is pleased to offer the facility of nomination to shareholders, who may avail this facility by sending the duly completed form to the Registered Office of the Company/ Registrar and Transfer Agent of the Company in case the shareholding is in physical form. The shareholders may obtain a copy of the said form from the Registered Office of the Company or can download it from the website of the Registrar and Transfer Agent of the Company at https://karisma.kfintech.com/downloads/Form_SH13_NOMINATION_FORM.pdf. In case of demat holdings, the request may be submitted to the Depository Participant.

l. Compliance Certificate

For the year under review, the requirement of obtaining Certificate of Secretarial Auditor, confirming compliance with the conditions of Corporate Governance as per requirement of Part E of Schedule V of the Listing Regulations, was not applicable.

m. Detail of distribution of shareholding of the equity shares of the Company, by size and ownership and Shareholding Pattern as on March 31, 2023:

The Company was wholly owned subsidiary of NIIT Limited as on March 31, 2023. Pursuant to the Composite Scheme of Arrangement, the Company shall allot/issue equity shares to the shareholders of NIIT Limited, as on record date.

CORPORATE GOVERNANCE REPORT (Contd..)

- n. Details of requests/queries/complaints received and resolved during the Financial Year 2022-23:**
There was no complaint received during FY23.
- o. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:**
As on the date of this Report, there are no outstanding warrants / bonds/ other instruments which are convertible into equity shares.
- p. Commodity price risk or foreign exchange risk and hedging activities:**
During the financial year 2022-23, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The details of foreign currency exposure are disclosed in Notes No. 12 (ii) and 28 of the financial statement (Standalone) of the Company. Further a note is also given in Management Discussion and Analysis Report.
- q. Dematerialisation of Equity Shares and Liquidity**
Pursuant to the Scheme, the Company shall issue and allot equity shares in dematerialized form to those shareholders who hold shares of the Transferor Company in dematerialized form as on the record date, into the account in which shares of the Transferor Company are held or such other account as intimated in writing by the shareholders to the Transferor Company and/ or its registrar.
For shareholders of Transferor Company holding shares in physical mode, the Company shall keep their shares in abeyance in a separate 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.
- r. Consolidation of multiple folios**
Investors are encouraged to consolidate their shareholding if held in multiple folios. This would facilitate one stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor multiple folios.
- s. Share Transfer System**
The Company has appointed a common Registrar for the physical share transfer and dematerialisation of shares i.e.
KFin Technologies Limited
Unit: NIIT Learning Systems Limited
Address: Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032 Telangana, India
Investor grievance e-mail: einward.ris@kfintech.com;
Website: www.kfintech.com
Contact Person: Mr. Srinivas Sudheer, Vice President;
Tel. No.: +91-40-79611000
- t. Compliance Officer**
Mr. Deepak Bansal, Company Secretary, is the Compliance Officer of the Company w.e.f. May 24, 2023.
- u. Designated email-ID:**
The Company has designated an email-ID "investors@niitmts.com" exclusively for Shareholders and Investors to correspond with the Company.
- v.** During the year, no security of the Company was suspended from trading since not listed.
- w. Address for Correspondence**
The shareholders may send their communication/ suggestions/ grievances /queries related to the Company to:
The Company Secretary
NIIT Learning Systems Limited
Investor Services
8, Balaji Estate, First Floor,
Guru Ravi Das Marg, Kalkaji,
New Delhi - 110 019, India
Tel Nos. : +91 11 4167 5000
Fax: +91 11 4140 7120
E-Mail: investors@niitmts.com
- x. Plant Locations**
In view of the nature of the Company's business, the Company operates from various offices worldwide.
The Corporate Governance Report was adopted by the Board of Directors at its meeting held on May 29, 2023 as a part of Board's Report.