

**NIIT TECHNOLOGIES LIMITED**  
**POLICY FOR DETERMINING MATERIAL SUBSIDIARIES**

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**VERSION HISTORY**

<b>S. NO.</b>	<b>VER. NO.</b>	<b>PREPARED BY</b>	<b>REVIEWED BY</b>	<b>REVISION DATE</b>	<b>APPROVED BY</b>	<b>RELEASE DATE</b>	<b>REASONS FOR NEW RELEASE</b>
1	1.0	Legal Service Organisation	CFO	---	Board of Directors	1/12/2015	Baseline Version
2	1.1	Legal Service Organisation	CFO	15/10/2016	Board of Directors	15/10/2016	Pursuant to SEBI (Listing Obligation & Disclosure Regulations), 2015
2	1.2	Legal Service Organisation	CFO	18/01/2019	Board of Directors	18/01/2019	Pursuant to amendment in SEBI (Listing Obligation & Disclosure Regulations), 2015

## I. OBJECTIVE

In terms of Regulation 16 (c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 “Listing Regulation, every listed Company is required to formulate a policy for determining material subsidiaries.

This Policy for determining material subsidiaries (hereinafter “The Policy”) is framed in context of the above statutory requirement and to put in place an appropriate framework for this purpose by NIIT Technologies Limited (hereinafter “The Company”).

## II. DEFINITIONS

**“Board of Directors”** or **“Board”** means the Board of Directors of NIIT Technologies Limited, as constituted from time to time.

**“Independent Director”** means a director of the Company, not being a Whole Time Director and who is neither a Promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence under the Companies Act, 2013 (“the Act”) and SEBI Listing Regulations as defined from time to time.

**“Subsidiary”** shall mean a subsidiary as defined under the Act and Rules made thereunder (as amended from time to time).

Any other term not defined herein shall have the same meaning as defined in the Act, Listing Regulations or any other applicable law or regulation, as amended from time to time.

## III. DETERMINATION OF MATERIAL SUBSIDIARY

A subsidiary shall be considered as material if the income or net worth of the subsidiary exceeds ten percent (10%) of the consolidated income or net worth respectively, of the listed entity, in the immediately preceding accounting year.

## IV. GUIDING PRINCIPLES:

1. At least one Independent Director on the Board of Directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not.

For the purpose of this provision, the term “material subsidiary” shall mean a subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.”

2. Following transactions shall be undertaken only after passing a special resolution in its General Meeting unless such divestment/sale/disposal/lease is made under a scheme of arrangement duly approved by a Court/Tribunal:
  - a) Disposing of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or cease the exercise of control over the subsidiary.

- b) Selling, disposing and leasing of assets amounting to more than twenty percent of the assets of the material subsidiary on an aggregate basis during a financial year. This shall require prior approval of shareholders by way of special resolution.
3. Every material unlisted subsidiary, incorporated in India, shall undertake secretarial audit and shall annex with its annual report, a secretarial audit report, given by a company secretary in practice, in such form as may be specified.

**IV. DISCLOSURE:**

This Policy shall be displayed on the website of the Company and a web link shall be provided in the Annual Report.

**V. POLICY REVISION:**

This Policy can be changed, modified or abrogated at any time by the Board of Directors of the Company in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.

In case of any subsequent changes/amendments in the provisions of the SEBI (Listing Obligations & Disclosure Regulations, 2015 or any other Act/Regulations which make any of the provisions in the Policy inconsistent with such regulations, then the provisions of such regulations would prevail over the Policy.