

July 30, 2020

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001.

National Stock Exchange of India Ltd.,
Exchange Plaza, C/1, G Block,
Bandra - Kurla Complex, Bandra (E),
Mumbai - 400051.

Scrip ID: BSOFT
Scrip Code: 532400

Symbol: BSOFT
Series: EQ

Kind Attn: The Manager,
Department of Corporate Services

Kind Attn: The Manager,
Listing Department

Subject: - Twenty Ninth Annual Report of Birlasoft Limited for the financial year 2019-20.

Dear Sir / Madam,

Pursuant to the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Twenty Ninth Annual Report of Birlasoft Limited for the financial year 2019-20.

Further, the Annual General Meeting is scheduled to be held on Wednesday, August 26, 2020.

Kindly take the same on your records and acknowledge receipt thereof.

Thanking you.

Yours faithfully,

For Birlasoft Limited
(Formerly KPIT Technologies Limited)

Sneha Padve
Company Secretary & Compliance Officer

Encl.: - As mentioned above.

Birlasoft Limited

(Formerly KPIT Technologies Limited)

Registered Office: 35 & 36, Rajiv Gandhi Infotech Park, Phase - I, MIDC, Hinjawadi, Pune (MH) 411057, India

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CIN: L72200PN1990PLC059594



Pioneering new paths

BOARD OF DIRECTORS

Amita Birla
Chairman

Chandrakant Birla
Director

Anant Talaulicar
Independent Director

Alka Bharucha
Independent Director

Ashok Kumar Barat
Independent Director

Nandita Gurjar
Independent Director

Prasad Thrikutam
Independent Director
(Upto June 10, 2020)

Dharmander Kapoor
Chief Executive Officer
& Managing Director
(Appointed w.e.f. June 1, 2019)

Rajeev Gupta
Chief Financial Officer
(Upto March 31, 2020)

Sneha Padve
Company Secretary

Auditors

Statutory Auditor
B S R & Co. LLP
Chartered Accountants

Secretarial Auditor
Dr. K. R. Chandratre
Practising Company Secretary

Internal Auditor
Ernst & Young LLP
Chartered Accountants

Legal Advisor

Khaitan & Co.

Financial Institutions

- State Bank of India Limited
- HDFC Bank Limited
- The Hongkong & Shanghai Banking Corporation Limited
- Citibank N.A.
- Axis Bank Limited
- ICICI Bank Limited
- Kotak Mahindra Bank Limited
- DBS Bank Limited

Registrar & Transfer Agent

Link Intime India Private Limited

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Chairman's Letter - FY20

Dear Stakeholder,

The world as we know it, has over the last few months gone through the greatest upheaval of recent times. I am of course referring to COVID-19 which promises to change the way we do business and the way we as humans live and associate with each other. The novel coronavirus has caused far reaching disruption, not just to human health but also to socio economic activity. History tells us of a few other such similar phenomena: the Plague, the Spanish flu and the Russian flu of the 1890's. Each time it has been through the endeavours of mankind: technology and science that we have adapted and advanced in those few years following the outbreaks, with the greatest spurts of creativity. I have no doubt we will do the same this time around. But to do that we have to be agile and nimble, both as a people and as Corporates. It is our duty and responsibility to take this up as an opportunity and as a re imagination of business as usual.

The first quarter of this year, which normally see significant business activity, has seen us all experience major lockdowns globally and in India, leading to a contraction in demand and consumption across industries.

Over the past few months, our primary focus at Birlasoft has been to ensure that our employees and their families stay safe, and that our customers continue to get the same standards of service. In March, we had proactively set up a COVID-19 war room, and we had 96% of our employees across the globe working from home. This transition did not pose any significant disruption to our business or to our customers, but in fact we saw an improvement in productivity. The future lies in digital, and this pandemic has shown that to be a reality for our customers. We have found significant growth in opportunities across businesses and communities at large, which today depend on virtual engagement, increased cloud adoption, health and safety measures including contactless delivery, consumption based service delivery etc. You will be happy to know that the Company is well positioned to leverage these new opportunities even as we continue to work closely with our customers and employees to deal with the fallout of this pandemic.

Against this challenging backdrop, I am pleased to share that over the last financial year, which was also the first full year of operations for Birlasoft Ltd post merger, the Company achieved revenue of ₹ 32,910 M (US\$ 464 M) with the EBITDA margin of 11.9% in FY 2019-20. The PBT grew to ₹ 3,362 M (US\$ 47.4 M) and we generated cash surplus of ₹ 879 M (US\$ 11.7 M). The restructuring exercise brought with it an expected share of challenges, but none that we couldn't deftly field, and fewer than anticipated. We kept our focus on building a large entity and creating a leader in the enterprise digital space, and are today taking actions that will lay a strong foundation for the Company in the long term. With the merged organisations aligning well and working together as One Birlasoft, we were able to accomplish a few noteworthy contracts like signing our largest transformational deal with Invacare Inc of USA, with a total contract value (TCV) of US\$ 242 M. We also signed a record US\$ 669 M of TCV deals through the year, of which about 65% was new business. In parallel, we focused on improving the health of our balance sheet, bolstering partnerships and industry advisory connects.

A major pivot for the Company has been to revisit the organization design in order to align the structure, processes and performance management with strategic industry aligned intent. We rolled this out effective April 1, 2019, along with an ESOP and long-term incentive plan for our key leaders, a new sales incentive

policy and grade harmonization for our employees. The induction of key talent in critical leadership roles has been completed with our Chief Delivery officer and Chief Business officer based out of Pune and New Jersey respectively. Birlasoft had 10,268 professionals as of March 31, 2020, and saw a net addition of 207 professionals during the year, of which almost half are women employees. This is in line with our Group's philosophy of remaining diverse and inclusive.

The CK Birla Group has always been known for commitment to the community. And at Birlasoft, we believe in the concept of sustainable development in order to make a positive and viable impact to the society through our community initiatives. Our programs around environmental sustainability and women's empowerment also provide a genuine impetus to the volunteers who devote time and effort to these endeavours. During the year, various CSR initiatives like Shodhan (tackling the issue of crop residue burning in Haryana and Punjab in active participation with the CII Foundation) and Disha (focus on infrastructure development of identified schools and co-scholastic development of students studying in classes I to VIII) were rolled out. As the COVID-19 pandemic raged across the country, Birlasoft partnered with 'Under The Tree (UTT)', a Noida based Non-Governmental Organization (NGO) to actively support daily wage earners during the lockdowns. Through the nutrition campaign entitled "Meal First", volunteers from Birlasoft and UTT were able to bring a positive change to the lives of 1,600 people, including 450 children. Food supplies and hygiene kits were also donated. All this is in addition to the financial contribution Birlasoft made to the PMCARES Fund, the Indian government's fight against COVID-19.

As we move ahead and the challenge against COVID-19 continues, I want to thank all our stakeholders for their generous support and cooperation. I look forward to yet another exciting year of opportunities for Birlasoft in the new normal.

Amita Birla



Board of Directors



Amita Birla is the Chairman of Birlasoft and the Co-Chairman of the CK Birla Group. As the Chairman, she leads long term strategy development and implementation in Birlasoft, and with her extensive experience she has successfully been leading companies across other industries. Her personal drive and leadership led to the transformation of Birlasoft from a fledgling startup to the global company that it is today, acknowledged as a differentiated Enterprise Digital IT Solution provider.



Chandrakant Birla is the Chairman of the CK Birla Group. The Group operates in three industry clusters: technology and automotive, home and building, and healthcare and education. He is a keen philanthropist who is committed to social development in India, the advancement of Science and Technology, Art and Culture.



Dharmander Kapoor is the Chief Executive Officer (CEO) & Managing Director of the Company with effect from June 1, 2019. He has 30 years of experience in Leadership, Go-to-market Business Development, Enterprise IT delivery, Consulting/Transformation and Software Product Engineering.



Anant Talaulicar holds a B.E. (Mechanical) degree from Mysore University, M.S. degree from the University of Michigan in Ann Arbor and a MBA from Tulane University, USA. He was a member of the Cummins Inc. global leadership team from August 2009 till October 2017, the Chairman and Managing Director of the Cummins Group in India and the Managing Director of Tata Cummins Limited from March 2004 till October 2017.

Board of Directors



Alka Bharucha holds B.A. (Hons.), L.L.B. (University of Bombay) and , L.L.M. (University of London) degrees. She is also a Member of the Bar Council of Maharashtra and Goa, a Solicitor registered with the Bombay Incorporated Law Society and the Supreme Court of England and Wales and an Advocate on Record, Supreme Court of India. Ms. Bharucha began her career with Mulla & Mulla & Craigie Blunt & Caroe and joined Amarchand & Mangaldas as partner in 1992. In 2008, she co-founded Bharucha & Partners which, since inception, has been ranked by RSG Consulting, London among the top twenty law firms in India.



Ashok Kumar Barat was the Managing Director and Chief Executive Officer of Forbes & Company Limited, till June 2016. During his long and distinguished career, he has held leadership positions in various Indian and multinational organizations, both in India and overseas, namely Hindustan Lever Limited, Pepsi, Electrolux, Telstra and Kraft-Heinz. Mr. Barat is a Fellow Member of the Institute of Chartered Accountants of India and of the Institute of Company Secretaries of India, and CPA (Australia).



Nandita Gurjar is a technologist turned HR professional. Ms. Gurjar's experience in mainstream IT spans software development, general management and consulting. She started her career at Wipro InfoTech in 1992 as a software programmer and moved to manage training. She joined Infosys Limited in December 1999 and moved to Infosys BPO in 2003 to Head HR. In 2007 she became the Global Head HR of Infosys Group and retired in 2014. She won the "Human Capital Business Leader" award from the Singapore Society of Human Resource Management and was featured as "25 Most Powerful Professional Women in India" in Business Today magazine.



Prasad Thrikutam is a dynamic and innovative executive with an exemplary record of business success in both large public companies and medium sized founder led private companies. He has 25+ years of experience as C-suite Executive in Consulting and technology service industry. He is currently Founder and CEO for Mol.ai.cule LLC and on the Advisory Board of TrueNorth Managers LLP one of India's largest PE companies.

Chief Executive Officer & Managing Director's Letter - FY20

The financial year ended March 31, 2020, was an extraordinary year for Birlasoft. It was also an eventful year for me, given taking up the responsibility as a Chief Executive Officer & Managing Director (CEO & MD) on June 1, 2019, at the back of multiple improvements needed across key performance metrics of growth, profitability, employee stability. We began our first year, immediately after the merger / demerger on January 1, 2019, on a promise to establish key fundamentals that would lead us to transformation journey faster.

With the belief in Birlasoft's values of Engaged, Dependable and Challenger; which we had formulated after a lot of deliberations; I took up these adversities as a personal challenge. I am happy that we prepared ourselves and planned doing what was right for the organization and not what was easy and/or popular. We took important and tough decisions at the beginning of the year to not only get back the Company on a growth track, but also lay the foundation for a long-term sustainable growth which would help instill confidence across all the key performance parameters.

I must say that we were successful in turning around the company in the last one year reflected across multiple parameters listed below-

- From a consecutive, sequential de-growth at the beginning of year, we delivered an industry leading growth in H2FY20.
 - o We exited the year with a Q4 revenue growth of 7.5% QoQ and 11.0% YoY. And with Q4 revenue at US\$ 125.6 M, Birlasoft also hits the US\$ 500 M revenue run rate.
- EBITDA margin expanded by 220 bps YoY, with FY20 EBITDA at ₹ 392 crores; up 22% YoY
- Our utilization, improved from 78% in Q1 to 81% in Q4, a 3% improvement YoY
- Our deal momentum over the year was record-making in the history of Birlasoft. For the year, we have won US\$ 669 M of deals of which 64% are new deals.
- We brought back our focus on strategic and key customer with whom we were mutually significant. Our active customer count went down from about 401 at the beginning of year to about 378 at year end and this is in line with our strategy to critically look at cutting the tail and non-strategic accounts over a period.
- The health of our cash flow, client connect and delivery quality is determined through Days Sales Outstanding (DSO). We improved our DSO from 79 days in March 2019 to 72 days in March 2020
- Our attrition that went up to 22.5% during the times of the merger, improved and came down to 18.9% at the end of Q4 – lowest in last 5 quarters
- Over the year, we inducted about 700 freshers from E-School and 250 freshers from B School
- Understandably, our CSAT and ESAT scores showed significant improvements

After ending the year with a strong performance, we are now faced with the disruption caused by COVID-19 pandemic. Birlasoft was very quick to address the challenges of lockdown and quickly established work from home for 96% of our employees in month of March 2020. In June 2020, almost all of our employees were working from home, and we ensured that we continue to deliver our services with no disruption. Our clients appreciated our proactiveness and responsiveness in dealing with this situation and ensuring that their business continues to run without any disruption.

We continue to closely engage and connect with our customers and employees, and their health and safety will continue to remain a top priority during this crisis. Having said that, each and every industry has experienced disruption to their normal business. This is expected to have its impact on FY20 growth for IT

industry as well. As the situation unfolds, and economic activities gradually opens up, industries are yet not out of the crisis. We continue to keep a close watch and making adjustments to our short-term operations and long-term strategy accordingly.

As we worked towards our long-term goals, we focused on creating an organization that is closer to the needs of our clients, is supported by sound organization structure and capabilities, and promotes the right behaviors of responsible selling and dependable execution.

Going ahead, our priorities would be

- A) Growth – We will continue to strengthen our talent in industries of our focus (verticals), service lines (horizontal), sales and delivery.
- B) Improve annuity revenue through cross selling - Cross selling has helped us bring significant focus on growing and managing our key relationships and it will continue to remain a priority for us.
- C) Strengthen ISV, OEM Channel - Birlasoft enjoys strong partnerships with SAP, Oracle, Salesforce.com, ServiceNow, Microsoft, Amazon etc. We are adding to our partner network in Europe and APAC region to expand our footprint in these geographies.
- D) Remain a dependable partner to our customers - We have added to our talent development priority through leadership programs and digital learning initiatives
- E) Last, but most important is our attention to operational rigor, which has helped us show EBITDA improvement thru the year, despite some of the headwinds during the integration process.

I am pleased to say that the year has been a remarkable one as we came together as one organization. When I look back at the year gone by, I look with a great sense of satisfaction at what we have achieved. I am also very pleased that we exited the financial year with a great momentum which must help us navigate this difficult period with a lot of confidence.

In conclusion I would like to submit that we would continue to be a company that is small enough to care but large enough to dare!

With all your support, I look forward towards another successful year!

Dharmander Kapoor
CEO and MD





The CK Birla Group is a diversified US\$ 2.4 billion conglomerate that has a history of enduring relationships with renowned global companies.

With over **25,000** employees, **41** manufacturing facilities, **21** service delivery locations and numerous patents and awards, the Group's businesses are present across five continents. We operate in three industry clusters: technology and automotive, home and building, and healthcare and education. The companies are strengthened by shared guiding principles that include a focus on long-term value, trust-based relationships and philanthropy. Each business is transforming to build on the collective strength and synergies of the Group's size and span.

birlasoft

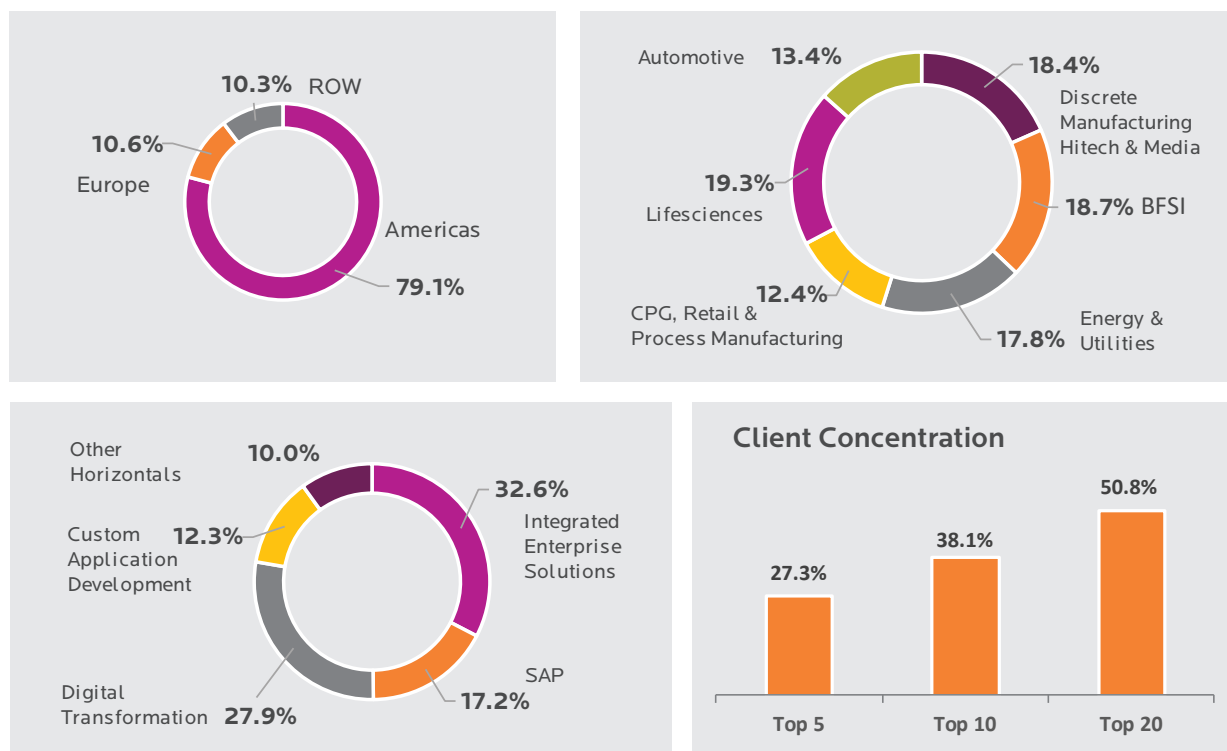
Enterprise to the Power of Digital™

Incorporated in 1990, Birlasoft combines the power of domain, enterprise and digital technologies to reimagine business processes for customers and their ecosystem. Its consultative and design thinking approach makes societies more productive by helping customers run businesses. As part of the multi-billion dollar diversified The CK Birla Group, Birlasoft with its 10,000 professionals, is committed to continuing its 158-year heritage of building sustainable communities.

Key Highlights for FY 2019-20

Revenue ₹ 3,291 Crs / \$ 464.0 M	EBITDA ₹ 392 Crs / \$ 55.3 M EBITDA Margin 11.9%	Profit After Tax (PAT) ₹ 224 Crs / \$ 31.6 M PAT Margin 6.8%
Headcount 10,268 professionals	Net Cash & cash Eq ₹ 666 Crs / \$ 88.4 M	Networth ₹ 1892 Crs / \$ 251 M

Key Metrics for FY 2019-20



Success Stories



Manufacturing

Globally renowned company, with more than 60,000 employees over the world has been engaged with Birlasoft for over 18 years. Birlasoft supported the client's 40,000 users across 50 countries and 30 Manufacturing / Distribution Sites with SmartAMS, a comprehensive set of well-defined end-to-end assets including methodology, accelerators, tools, technologies, and organizational constructs that work together.

Benefits: The customer achieved a reduction of 53% in overall incidents through the *shift-left* approach and automation. Birlasoft's SmartAMS solution provided proactive, quality focused, predictable, optimized, and flexible AMS services to the client, thus resulting in significant cost savings through value addition and incident reduction.



Life Sciences & Healthcare

Global medical device manufacturer has partnered with Birlasoft in an innovative long-term partnership to modernize its global IT landscape to drive operational efficiencies, improve customer experience and generate substantial cost savings.

Benefits: Birlasoft is delivering global, modern, standardized applications, infrastructure and support covering all of IT to be delivered as service at no incremental expense to the client's bottom line. This is being done through global implementation of a modern and standardized ERP solution, building an e-commerce and customer experience platform, enterprise master data management, accelerated cloud adoption and digital workplace implementation. Birlasoft is helping the client grow its global business, while simultaneously flattening IT run costs.



BFSI

One of the world's largest insurers engaged with Birlasoft for many years on all strategic initiatives, focusing on financial transformation through Smart Automation. The company needed to achieve faster consolidation of financials across all legal entities and consistency in revenue and cost reporting formats.

Benefits: Birlasoft's complex Micro-Services Architecture was used as the real-time Inter-Platform Connectivity to complete the largest Financial Transformation Program using SAP Simple Finance Platform. The company achieved faster consolidation of financials across all legal entities and consistency in revenue and cost reporting formats.



Energy

Multinational oilfield service company has been engaged with Birlasoft for over 15 years. It was challenged to reduce costs through transformative solutions, improve user experience and roll out a Global ERP solution at the same time.

Benefits: Global ERP was rolled out in 100+ countries, implemented global application managed services for 400+ applications leveraging SmartAMS along with multiple IT transformation initiatives, resulting in process and efficiency improvements with over \$50M in projected and realized savings.

Raising Enterprises to the Power of Digital™

Our People are Our Assets

Every individual can be a Challenger, by aspiring to deliver 5% more than expected. When it comes to collaborating, learning and performing to the best of our abilities, we aim to deliver at least 5% more. The future relies on those who remain focused and committed to excellence. As a company, we are dedicated to enabling and growing our people, helping them build a personal brand and not just a career; allowing them to learn new skills while maintaining work-life balance to excel on all fronts.



Engaged in Creating Sustainable Communities

At Birlasoft, we believe in the concept of sustainable development and seek to make a positive and viable impact to the society through our community initiatives. The community initiatives at Birlasoft are driven by the philosophy of **Create. Collaborate. Change.**



We believe in giving back to the society where we live, work and engage. Our programs are driven across two key themes, i.e.

- Environment sustainability which focuses on maintaining air, water, and soil-quality, and ecological balance
- Women and Children Development – which focuses on education, health and hygiene, and scholastic development of children from socio-economically weaker sections, along with empowerment and enablement of women through education and skills development initiatives

During the last fiscal year (FY19-20), we have managed and driven many programs under the aegis of community initiatives; which are in line with our core focus areas. A few flagship programs, implemented in collaboration with our partners, are mentioned below:

- Project Shodhan** – Now in the third year of our active partnership with the CII Foundation, we have focused on villages in the states of Haryana and Punjab; to tackle the issue of crop residue burning, and educate farmers on new farming practices. During 2019-20, we were able to bring about a significant change across 21 villages, covering approximately 13,400 acres of farmable land
- o In collaboration with volunteers from CII Foundation, we conducted awareness sessions to mobilise farmers and their families in the identified villages
 - o Oriented them with farming equipment and technology which could obviate the need for stubble burning, thereby gradually moving towards the overall cause of zero-stubble burning
 - o Provided machinery and its operating cost to facilitate faster adoption by the farming communities

GT SABERA Awards: For the second year in a row, Birlasoft was a recipient of the Grant Thornton Social and Business Enterprise Responsible Awards (GT SABERA). These awards acknowledge business and social enterprises, along with individuals who work responsibly towards pushing the nation towards the road of development.

- o Project Shodhan, the crop residue management program in collaboration with the CII Foundation won in the Parayavaran (Environment) category and;
- o E-Vidya, our digital literacy program for underprivileged girls in India, was felicitated in the Shiksha (Education) category

Project Disha: This project focuses on inducing behaviour change through communication, sessions/workshops and supplements in creating change agents for mass awareness. With multiple initiatives focused on infrastructural development of schools and co-scholastic development of students, this education-for-all initiative, also includes teacher training and digital literacy programs. During the fiscal year (FY19-20), close to 900 students from Grade 1 to 8 reaped benefits, under this project.

COVID-19 Global Pandemic: As the world remained unsettled due to the rampant spread of the coronavirus, Birlasoft partnered with the Under The Tree (UTT), a Noida-based Non-Governmental Organization (NGO) to actively support daily wage earners during the lockdowns in India. Through the nutrition campaign, titled “Meal First”, volunteers from Birlasoft and UTT were able to bring a positive change in the lives of 1600 people, including 450 children. Food supplies and hygiene kits were also donated.

To support the Indian Government’s fight against COVID-19, Birlasoft extended a financial aid of ₹ 1.5 crores to the **PMCARES Fund**.

Management Discussion and Analysis

About Birlasoft

Birlasoft combines the power of industry knowledge, enterprise solution and digital technologies to reimagine business processes for customers and their ecosystem. Its consultative and design thinking approach helps customers understand the value and outcome of the services being provided coupled with a transparent operating model. As part of The CK Birla Group, Birlasoft comprising of over 10,000 plus professionals, is committed to continuing its 158-year heritage of building sustainable communities.

CK Birla Group Profile

The CK Birla Group is a diversified US\$ 2.4 billion conglomerate that has a history of enduring relationships with renowned global companies.

With over 25,000 employees, 41 manufacturing facilities, 21 service delivery locations and numerous patents and awards, the Group's businesses are present across five continents. The Group operates in three industry clusters: technology and automotive, home and building, and healthcare and education. The CK Birla Group companies are strengthened by shared guiding principles that include a focus on long-term value creation, trust-based relationships and philanthropy. Each business is transforming to build on the collective strength and synergies of the Group's size and span.

Industry structure and developments

India's information technology and back-office sector is estimated to have grown by 7.7% in Financial Year (FY) 2020 to US\$ 191 billion, with exports touching US\$ 147 billion as per the National Association of Software and Services Companies (NASSCOM), the apex IT & ITES industry body. This growth is slightly slower as compared to 8.1% growth in the previous year. Of the US\$ 191 billion revenue, exports constitute ~77%, and ~23% is from domestic revenue (including hardware). The export revenue of ~US\$ 147 billion is estimated to have registered a growth of ~8% in FY20, which is marginally lower than the NASSCOM projection of 8.1% for FY20. The sector added about 2.05 lakh jobs in FY20, as compared to 1.85 lakh jobs added in FY19.

Global economic growth expectations remain

subdued amidst increasing social unrest and negative sentiment due to the COVID-19 situation and other geopolitical issues. Despite this, technology spend growth expectation for FY20 remains positive, driven by growth in enterprise digital services, software markets as well as IT services. Hiring remains positive amidst demand for new skills and building local scale at onsite locations. The attrition rates have declined versus the previous year due to focused efforts to retain talent through reskilling and localization of talent. The growth for the sector will continue to come from cost reduction initiatives taken by clients, and digital solutioning with clients from developed markets, coupled with higher tech spending.

Company Overview

The financial year 2019-20 was Birlasoft Limited's first full year of operations post merger, effective January 1, 2019. The Company reported a revenue of ₹ 3,291 Crore (US\$ 464 M), EBITDA of ₹ 392 Crore (US\$ 55.3 M) with EBITDA margin of 11.9% and a PAT of ₹ 224 Crore (US\$ 31.6 M). The company had 10,268 professionals as of March 31, 2020 including net addition of 207 professionals during the year. The Company has strong Enterprise solutions capabilities coupled with Digital capabilities, making it a formidable competitor in the market.

Birlasoft has unique, industry leading capabilities from the Enterprise Product and Cloud solutions domain such as SAP, Oracle, JD Edwards, Salesforce.com, Service Now etc. The company has the highest level of partnership with SAP, Oracle as well as with Salesforce, a position unmatched by any other similar company. Birlasoft also possess significant 'Digital' capability in Analytics, RPA (Robotic Process Automation), Digital portals, User Experience and Digital advisory services. A large set of solutions and offerings continue to demonstrate the Company's capabilities and presence in Application development, support and maintenance for next generation services in the digital world.

Members will be aware that effective January 1, 2019, Birlasoft (India) Limited and the IT services business of KPIT Technologies Limited merged to form a leading publicly listed Enterprise Digital and IT Services company named Birlasoft Limited.

The shares of the former KPIT Technologies Limited (NSE: KPIT) traded as ex-engineering business since January 24, 2019. The name of the former KPIT Technologies Limited (NSE: KPIT) and its stock ticker, changed to Birlasoft Limited and NSE: BSOFT respectively, after the change in name with the Registrar of Companies effective February 8, 2019. The shares of the former KPIT Technologies Limited's Engineering Services business got listed on the stock exchanges and began to trade on April 22, 2019 with the Company name and ticker as KPIT Technologies Limited and NSE: KPITTECH respectively.

One Birlasoft

Birlasoft Limited is distinctively positioned for opportunities in the enterprise digital space. The previous financial year was about stabilizing the integration of two companies across processes, people and systems, strengthening the capabilities and acquisition of talent in senior leadership roles across the delivery and sales functions, and optimizing certain non-strategic businesses and tail accounts. There has already been an acceleration in Birlasoft's participation in large deals, evident from the signing of multiple transformational projects including a multi services deal worth US\$ 242 M TCV, with US based healthcare major Invacare Inc. The Invacare deal is the largest deal in Birlasoft's history, and the Company expects to gain traction in the market, leveraging scale, play and execution capabilities on the back of this deal.

Some of the other notable highlights during the past year are;

- ~ Stabilisation and integration of two entities across processes, people and systems, while laying the foundation for sustainable long-term growth
- ~ The Company has strengthened its sales capabilities, transitioned to a business and customer centric approach towards winning in the new market dynamics
- ~ Expanding the relationships with existing and strategic customers by cross selling a diverse and enhanced set of services, and becoming more valuable to the customer
- ~ During the year Birlasoft continued to experience balanced growth in opportunities and revenues from digital and Enterprise solutions (e.g. ERP) offerings.

- ~ Focused approach to capability development through leadership development programs, and digital learning and certification initiatives.
- ~ Initiated a cost optimization program at the beginning of the year, especially focused on Delivery and Enabling Functions costs, which saw good progress.

Human Capital

The competitive edge between companies often comes down to its people and processes. The company continues to invest in its human capital, as a strategic imperative, across talent acquisition, skill building, talent management and career development. The past year was one of integration, and the company has committed time and effort in the process and policies harmonisation bringing in best in class practices. Enhancing employee experience has been the fulcrum around which the people dimension of the IT integration has been driven.

People are a key resource, and the company continues to build processes that on one hand help employees align their professional and personal goals, and on the other helps the company align people to opportunities. The Company is committed to leveraging learning and development as a means of upskilling and cross skilling its employees: helping people augment their own skill sets and accelerate their personal growth and organisational capabilities.

Birlasoft has put in place several marquee programs which reinforce its people philosophy:

- a self-help group "Thrive Tribe" for women in mid and senior roles, that offers career mentoring programs to younger women professionals as part of the D&I charter.
- the "Young Guns" program aimed at accelerating the career journey of the younger workforce where the Company collaborates with a leading business school and sets up an experiential learning journey for a qualified group across the company. There are focused in-depth talent reviews for people in leadership roles aimed at helping these people chart and further their personal development plans as part of building a strong leadership pipeline.
- "Star awards" for rewarding critical achievements and reinforcing desired behaviour at the workplace.

Customer Engagement

The Company has over the last year put significant focus on engaging both with existing and new customers. With a clear intent on increasing the annuity segment of revenue and cross selling: a targeted Challenger program was initiated for the top 50 clients focused on developing a deeper engagement model with clients, based on their business imperatives, current engagements and industry led relationships. The Challenger program enables a 360 degree view of the value that the Company provides clients, while enabling a long term strategic partnership with the customer. The verticalization of the market units enable deeper focus on the customer industry and business objectives through value discovery services. This was complemented by a robust customer satisfaction survey both at the relationship and delivery level. A growth based engagement model has been implemented to follow 150 customers, with a focus on cross selling and leveraging core and peripheral services to drive revenue. Birlasoft continues its emphasis on divesting tail accounts. The customer engagement approach has yielded positive results, with an increase in annuity revenue, customer satisfaction, deeper client relationships and cross sell revenue. A number of new well known industry brands have been added to the client portfolio.

Business Outlook

The IT Services market is facing an unprecedented set of challenges as a result of COVID-19. This creates both headwinds and opportunities for growth in the industry. The market reaction to the pandemic has followed the initial expected pattern of rationalization of IT spend. As the market emerges from successive lockdowns, the focus is shifting to prioritize spend, based on cost constraints and business priorities. As a result many transformation programs will get pushed out to the following year.

Industry analysis (Gartner) predict a worldwide IT spend decline of 8% YoY. They cite the COVID-19 pandemic and associated recession as the reason CIO's are reprioritizing spend on "mission critical" technology and services. This includes an urgent focus on cost containment and operations that keep the business running. Gartner does not expect an immediate bounce back, citing recovery to require an improvement both in demand and supply, along with change in consumption behavior.

It lists industries such as entertainment, air transport and heavy industry will be hit hardest, and expects that it will take over three years to come back to the 2019 IT spend levels.

According to the IMF, the global economy is projected to contract sharply by 3% in 2020, much worse than during the 2008–09 global financial crisis. However, it presumes that the pandemic fades in the second half of 2020, and containment efforts can gradually be unwound: as a result the global economy could grow by 5.8% in 2021 as economic activity begins to come back to more normal level. The growth in advanced economies, which accounts for over 80% of Indian IT exports, is expected to decline by a sharp 6%. The US is expected to decline by 6.1%, the Eurozone by 5.9%, and the UK also by a decline of 6.5%. At the moment these are just projections based on our current medical information regarding the spread of the virus, and will most certainly undergo a change as and when more information regarding treatment, vaccines and the success of social distancing norms gets established.

The global spread of the coronavirus has resulted in simultaneous supply and demand shocks, and will materially slow down economic activity across all sectors. The Indian IT services industry is also expected to see an adverse impact over the short term. On the supply side, Indian IT services are facing issues such as travel restrictions as well as closure of offices/work from home at various offshore development centers as well as onshore: severely impacting the movement of people. Analysts expect the sector to clock a negative mid single growth in FY21, with Q1 FY21 being the most impacted quarter. A revenue decline will also see an impact in margins for the IT industry.

Fortunately, governments around the world are acting decisively to protect their businesses and people from the economic disruption caused by the pandemic. Whether through tax cuts, investment incentives or changes to filing deadlines: tax systems will play a significant role in helping alleviate the current financial and economic turmoil. Global lockdowns in response to the coronavirus have resulted in economic turmoil, the worst downturn since the Great Depression in the 1930s. To counter this, almost all major economies have announced economic stimulus packages.

The pandemic is also changing the delivery and consumption model for IT Services leading to opportunities for IT service providers. For a significant number of roles in certain industry segments, WFH is and will become the norm going forward. The focus on cyber security, network connectivity, resilience and related business processes are opportunity areas for IT Services. Cost constraints due to reduced budgets are accelerating the adoption of a consumption model. Movement to the Cloud and As-a-Service model provides further opportunities to help customers become more efficient. Digitization of channels to market are creating omni channel opportunities which bring additional opportunities for both simplification and automation of the underlying business processes and related supply chains.

Business Strategy

Birlasoft has become a strong challenger in the Enterprise and Digital technology segment bringing together strong industry domain capability, coupled with technology partnerships. The focus is on bringing robust industry led solutions to partner with customers to solve their current and future challenges.

Partnerships with SAP, Oracle, JD Edwards and Salesforce, along with a strong referenceable customer base, enables Birlasoft to be an engaged and dependable partner of choice, bringing strong digital capabilities in ERP, Cloud enablement, RPA, Analytics, CRM, Digital and advisory services. The Company's services and solutions are closely aligned with client priorities, making them the pivot around which Birlasoft can deliver value.

Business strategy and focus is aligned with the IT market and customer expectations, both of which follow the approach of rationalization, prioritization and enablement. A focus on rationalization includes protecting and increasing annuity revenue through retaining and winning AMS engagements, increasing the tenure of existing agreements, cross sell and up sell value based services. This enables deeper client engagements and investing by co-solutioning with clients by determining key spend areas, new value driven services and often moving T&M engagements to Managed services. Taking up deferred transformation engagements with an increased focus on key markets with deeper

solutions and technology partnerships across key geographies will be a focus on client enablement post COVID-19.

Alongside this, the business priorities include a continued focus on sustainable long term growth, investing in strengthening sales capabilities while transitioning from a technology to a more business centric approach. This will include an increased focus on capability and skill development of the workforce through leadership programs, digital learning initiatives and certification programs.

Risk and Opportunities

Risks

Birlasoft has a very structured and consistent approach in identifying risk, and creating mitigation plans as part of its Governance, Risk, Compliance (GRC) practices.

Please refer to Enterprise Risk Management section

Opportunities

Birlasoft has created a niche in the mid tier IT services companies following the merger with KPIT. Its core values of being an engaged and dependable challenger, combined with the strong client references and capabilities in the ERP segment has positioned us as a strong partner of choice for implementation, upgrades and cloud migration of ERP platforms. The large deal acquisition of Invacare Inc. as a full service customer, demonstrates the ability to win high value deals encompassing a comprehensive client transformation by implementing new age solutions such as SAP S/4HANA, and upgrading the underlying e-commerce platform to help open digital channels for growth. The Company's ultimate success will be determined by the client's success in increased profitable revenue. There are other similar client partnerships that Birlasoft has won against global large scale competitors by showing agility, industry expertise, high quality delivery and a sheer determination to challenge the norm. The focus will be to drive similar selective large scale engagements in the market place, across key industry segments.

Some of the new opportunity highlights post COVID-19:

- WFH, a model of engagement for the continued delivery of Run the Business (RTB) has opened up opportunities for a more sustained way of working. This in turn is forcing organizations to increase their focus on cyber security, infrastructure, operational resilience and business continuity.
- Virtual engagements across business functions is driving the need for collaboration tools for voice, text and video. Application development is rapidly moving towards a location independent agile delivery model, and secure borderless workspace. This has also created additional need for data security, increased storage and productivity tools.
- Digital modernization and acceptance is increasing due to the need to augment revenue which is under pressure through traditional channels. This will entail a rapid adoption of digital enablement through transformation, cloud migration and mobility trends.
- Increased cloud adoption, automation, digitization of processes will drive the growth of Artificial Intelligence and Machine learning paradigms to become the new norm.
- Health and Safety including contactless services

will impact organizations to deliver a safe workplace for employees and services for their end clients.

- Commercial models will lean towards a consumption based service delivery for continued cost measures and financial acumen. Customers will seek partners who can provide services in an agile, adoptable and shared risk basis.

Birlasoft, with 50% revenue from Enterprise Solutions and ~38% from Digital is well positioned to leverage the opportunity of digitization of services at a faster pace. The Company identifies itself as a Digital Enterprise Company and aims to deliver superior business value by combining the strength of its domain and technical capabilities.

Financial Performance

The appointed date of restructuring (merger and demerger) being January 1, 2019, the full year financial results for FY 2018-19 for Birlasoft Ltd are for nine months of KPIT's IT services business, and three months of the merged entity (Birlasoft (India) Ltd + KPIT IT Services' business). So, the 12 months Financial Results for FY 2019-20 for Birlasoft Ltd (the merged entity) are not comparable with the previous year's financials FY 2018-19.

The Company's financial highlight for FY 2019-20

The consolidated Profit and Loss account for the year ended March 31, 2020 was as follows:

(Amount in ₹ mn)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from Operations	32,909.69	25,506.67
Employee benefits expense	19,975.41	15,351.93
Other expenses	9,015.09	7,090.78
Total Expenses	28,990.50	22,442.71
Earnings before Interest, tax, depreciation & amortization	3,919.19	3,063.96
Depreciation and amortization expense	825.79	498.74
Earnings before Interest & tax	3,093.40	2,565.22
Other Income (Net)	429.91	260.57
Finance costs	161.27	108.43
Exceptional items	-	175.85
Profit Before Tax (PBT) from continuing operations	3,362.04	2,893.21
Tax Expense	1,118.56	539.36
Profit After tax (PAT)	2,243.48	2,353.85

Finance review

Analysis of the Profit and Loss Statement

- **Revenue:** Revenue from operations increased from ₹ 25,506 M in FY 2018-19 to reach ₹ 32,909 M in FY 2019-20. Other income accounted for ~1% share of the Company's revenues reflecting the Company's dependence on its core business operations. The increase in other income was primarily due to forex gains resulting from higher hedging in forward contracts in FY 2019-20, as compared to FY 2018-19.
- **Expenses:** Total expenses of the Company increased from ₹ 23,050 M in FY 2018-19 to ₹ 29,977 M. Employee expenses accounted for 60% share of the Company's revenue, similar to the previous year. Other expenses accounted for 27% share of the Company's revenue in FY 2019-20, similar to the previous year.
- Tax Expense for FY 2019-20 was at ₹ 1,119 M compared to ₹ 539 M in FY 2018-19. The higher tax percentage was on account of the facilities coming out of the SEZ exemption on the exports in FY 2019-20.

Analysis of the Balance Sheet

Sources of funds

- The Total Assets of the Company increased by 7.6% from ₹ 24,976 M as on 31st March 2019 to ₹ 26,873 M as on March 31, 2020, owing to better profitability as compared to FY 2018-19
- The net worth of the Company increased by 10% from ₹ 17,135 M as on March 31, 2019 to ₹ 18,924 M as on March 31, 2020 owing to increase in reserves. The Company's equity share capital comprising ₹ 276.7 M equity shares of ₹ 2 each, increased from ₹ 548.3 M in FY18-19 to ₹ 553.4 M on account of increase in number of the shares due to exercise of Employee Stock Options.
- Except for lease liabilities of ₹ 1,140 M, the company is debt free as of March 31, 2020.
- The other financial liabilities came down from ₹ 3,155 M in FY 2018-19 to ₹ 1,932 M in FY 2019-20 on account of settlement of intercompany transactions (with KPIT Technologies Ltd) arising due to the merger and demerger effective January 1, 2019. The intercompany transactions are very insignificant as of March 31, 2020.
- Other Current Liabilities increased from ₹ 887 M in FY 2018-19 to ₹ 1,190 M in FY 2019-20 due to Forward hedge contracts and accrued employee cost

Applications of funds

- Fixed assets (net) of the Company were down by 2.3% from ₹ 1,444 M in FY 2018-19 to ₹ 1,411 M in FY 2019-20 due to reclassification as per Accounting Standard Ind AS 116, which was effective from April 1, 2019
- Goodwill went up from ₹ 4,219 M in FY 2018-19 to ₹ 4,541 M in FY 2019-20 on account of exchange gain.

Working Capital management

- Investments of the Company decreased from ₹ 1,909 M as on March 31, 2019 to ₹ 330 M as on March 31, 2020. The investments in liquid mutual funds were moved to Fixed Deposit with the Bank as a conservative safeguard against market volatility.
- Trade receivables went up from ₹ 7,108 M as on March 31, 2019 to ₹ 7,402 M as on March 31, 2020 as a result of growth in Revenues in Q4. However, the DSO of the Company reduced by 10% to 72 days of billed Revenues.
- Cash and bank balances of the Company increased from ₹ 3,617 M as on March 31, 2019 to ₹ 4,496 M as on March 31, 2020 on account of improved operational efficiencies on a YoY basis.
- Other Financial Assets decreased significantly by 81% from ₹ 1,938 M as of March 31, 2019 to ₹ 356 M as of March 31, 2020, due to reduction in inter-co balance with KPIT Technologies Ltd, which had arisen due to merger and demerger effective January 1, 2019.

Enterprise Risk Management

In compliance to regulatory requirements, Birlasoft has implemented a robust Enterprise Risk Management process duly benchmarked with industry standards.

Risks are assessed and managed at various levels at regular intervals with a top-down and bottom-up approach covering the whole Enterprise i.e. the Business units, the Geographies and the Enabling / Delivery functions.

Birlasoft believes in complete transparency with stakeholders and in line with these high standards of transparency, we are herewith sharing a summary of key risks and their mitigation plans.

Risk Event #1 Potential impact of COVID-19 on the global economy and organization

Risk Owner: CEO + CXOs

Description: Impact of COVID-19 on the human capital and financial health of the organizations due to significant cut on available budget to meet operational expenses, capital expenditure and discretionary spends at existing / potential client's level resulting in cancellation of RFPs / deals, asks for discounts, invoice deferrals and cancellation of projects from existing clients. Additionally possible challenges in ensuring business continuity amid extended lockdowns and restriction in smooth supply chain process.

Mitigation plan:

Birlasoft management has proactively initiated multiple actions on ground to minimize the financial impact and ensure business continuity amid the various restrictions enforced by governments across various countries we operate in, i.e.

- Performing a comprehensive resilience framework at organization level to assess internal preparedness to deal with the pandemic
- Providing a comprehensive work from home solution ensuring security, meeting agreed contractual service levels and project milestones
- Regular communications with client leadership on the situation's development
- Formation of management task force to

regularly monitor and initiate corrective actions to manage emerging situation, as required

- Proactive proposals to clients to streamline operational parameters while mitigating service level risks is focused on reducing costs.
- Phased approach for resuming offices to ensure effectiveness and managing any further lockdown after resumption of services
- Cost optimization initiatives and reducing on discretionary spends
- Various initiatives on employee health and safety amid ongoing situation and after opening of office facilities
- Multiple actions to ensure Information security amid extending the work from home facility to employees

Birlasoft is well poised to take advantage of the opportunity emerging with the emergence of the COVID-19 pandemic and the resulting rapid adoption of digital enablement through transformation, cloud migration, IOT and mobility trends. Birlasoft has invested in digital labs to drive digital solutions in the area of process and discrete manufacturing.

Additionally, as a good governance measure, Birlasoft management has been providing regular updates to the Board on various business decisions and emerging situation and possible impact of the situation.

Risk Event #2 Potential risk of liquidity

Risk Owner: CFO

Description: Potential challenge in maintaining cash reserves and desired liquidity for managing various fixed and variable costs (i.e. employee payroll, vendor payments, facility management cost etc.) during COVID-19 situation which is expected to get extended for few quarters after lifting of lockdown restrictions.

Mitigation Plan

As evident from the financial results of the Company for the year, Birlasoft has always followed very conservative and risk-averse policies and practices with regard to managing its cash and liquidity.

Proactive cash flow and risk management practices have ensured that the Company always maintained a strong liquidity position, with a focus on ensuring adequate Cash balances held in the most optimal forms and geographies, backed up by various cash generation sources, including unutilized credit lines and off-balance sheet funding options. However, considering the uncertainty looming around due to the current COVID-19 situation, the Company has strategized and initiated various actions with an objective to enhance resilience in terms of working capital management. Few of such actions being a very strong focus on collection of its receivables (resulting in a 10% drop in its DSO), optimizing its people and other costs (reflected in a quarter-on-quarter growth in its operating margins), deferring discretionary spends and re-structuring its payables to ensure adequate liquidity in the system to meet the Company's financial commitments at any point of time.

Risk Event #3 Concentration of business in specific geography / customer/ service line

Risk Owner: CBO + CDO

Description: The Company strategy is to focus on a select number of industry verticals, geography, customers and offerings, with a possibility of business being concentrated in a particular area with a consequential volatility.

Mitigation Plan:

The company mitigates this risk by maintaining a balance between various industry verticals, customers, geographies, offerings and making special efforts to grow the emerging businesses without compromising focus. The Company continues to have well spread service lines and healthy proportion mix of revenue generation from digital service line. Our focus would be to continue investing to increase our revenue in support and maintenance. Partnerships with established ERP product companies has broadened the customer base and offerings, which will assist in new customer acquisitions and expansion of business.

Risk Event #4 Impact on business due to stiff competition in the market

Risk Owner: CBO + CDO

Description: Given the dynamics nature of the IT services industry in which the company operates, it faces risk of competitors providing new offerings / new business models, pricing pressure, consolidation of mid-tier IT companies, etc., which pose challenges to growth and margins.

Mitigation Plan:

The Company has launched a comprehensive Challenger model to drive growth of top multiservice accounts with a key focus on Client management, monitoring of cross-selling and business transformation revenues while deepening and expanding the client relationship model. The Company is also focusing on widening the service technology offerings that compliment and align with the business imperatives of the customer, which helps in building annuity revenue and long-term client relationships. Strategic tie-ups are also being continuously evaluated with an objective to manage competition, enhance technological competence and grow inorganically.

Risk Event #5 Technological Disruption - Adaptation to new technology offerings

Risk Owner: CBO + CDO

Description: Rapid transformation in technologies like robotics, cognitive technologies, machine learning, cloud, digital etc., has significantly impacted business models. Delay in adaptation to new technology offerings will have adverse impact on future growth of the business, cost management and in maintaining healthy growth in revenues.

Mitigation Plan:

The company continues to invest in building functional capabilities (Digital, Data Analytics etc.) in a more focused way and with swiftness and agility. The focus on building functional capabilities in desired verticals and focused industries continue while investing on new technologies relevant to customers to enhance capability providing a platform to drive initiatives related to customer retention, mining and new customer acquisition. Simultaneously the timely assessment of various strategic tie-ups / merger activity to assist the organization in quick adaptation to the emerging technology and enhance its footprints in new demography.

Risk Event #6 Data Privacy risk related to global privacy regulations

Risk Owner: CISO

Description: Privacy and protection of personal data is an area of increasing concern globally. Legislations like GDPR in Europe, CCPA in US and PDPB in India has severe consequences for non-compliance or breach. Ensuring data privacy through every stage of information life cycle (collection, storage, processing, retention and disposal) has become critical. Any violation or security breach observed non-compliance or inadequacy of privacy policies and procedures can result in potential liabilities, penalties and reputational impact.

Mitigation Plan:

The Company has a well-defined and matured Privacy Framework with coherent policies, procedures for diverse privacy requirements and to ensure requisite compliances. Established governance mechanism exists to measure the efficacy of the privacy program through regular metrics and monitoring. The company follows best practices to support and include privacy by design concept in privacy environment. Some of the technical and Organization measures are PII Repositories, Privacy Impact Assessment, Incident Management Procedures and Systems, Breach Notification Management, Subject Access Request Management etc. Additionally, the Data Privacy controls have been assessed by external experts for compliance in line with the requirements of GDPR regulation. Company is continuously improving operational culture within the organization to address dynamic privacy risks with emerging technologies. The organization has embarked on a journey to obtain ISO 27701 certification in 2020 which is an extension of existing ISO 27001 standards.

Risk Event #7 Cyber security related risks

Risk Owner: CISO

Description: As companies embrace new technologies such as mobile computing, internet of things and cloud computing etc., cybersecurity is perceived as important risk. With the dynamic threat landscape of highly technical nature, there are possibilities of sophisticated targeted attacks,

increasing ransomware threats, malware, data leakage and other security failures. The current scenario of COVID-19 has also brought in the need to have adaptive technologies in the cyber space to enable the “work from home” option. With all this, we can surely expect not just an increase in current threats but also completely new ones.

Mitigation Plan:

The company has a matured Information Security Management System with Policies, Processes and Controls to minimize the Cyber Security risks. The governance and management of security compliance and risk is reviewed periodically; evident with the sustained ISO 27001:2013 certification and external third-party validation of compliance to NIST Cyber Security framework.

While we continue with our Intrusion prevention systems, data loss prevention and vulnerability management program through the offensive COE, encryption, patch management etc. newer tools that are aimed at Cyber threat protection like cloud native end point protection platforms will be implemented. The SOC, which extends to all the offices globally, continues to track, monitor and ensure that all the wheels in this Cyber framework work turn smoothly.

Risk Event #8 Resourcing related risk with reference to employee retention, succession, development and training

Risk Owner: CPO

Description: The nature of the IT services business mandates the Company to recruit and retain professionals with requisite skill sets, adequate to meet customer demands and in alignment of company's long-term business strategy. Less or under-proficient resources or delayed or absence of availability of the required resources could result in loss of business opportunities or delivery escalations from the customers.

Mitigation Plan:

The Company has an effective talent acquisition function, which devises strategies to attract qualified and skilled professionals from various talent pools tapped through various sources. HR, in close alignment with business, ensures that there is a robust selection process to identify and evaluate the ‘right’ skilled resources.

The company continuously makes considerable investments in developing a robust training infrastructure, which ensures continuous skill enhancement and competency development for all deployable resources.

The Learning and Development team is also geared to cater to any business or project specific skilling needs through in-house or external training programs. Additionally, company also maintains a healthy strength on-bench to ensure timely availability of resources. This ensures that the delivery teams have the 'right and multi skilled' resources to deliver quality services to our customers. The company has various employee engagement and development programs across the levels i.e. 'Top Talent', to help engage and retain good talent within the organization.

The Company places great emphasis on succession planning for critical roles to ensure risk mitigation and business continuity. The business leadership has set up an agile process for identifying business-critical roles and identifying potential talent pool to fill these roles should the need so arise. The potential talent pool undergoes a regular rigorous process of evaluation and readiness-assessment including psychometric assessments, multi-stakeholder feedback and six-monthly talent reviews. Individuals get to build IDPs and work through a continuous improvement program built around feedback and coaching.

Risk Event #9 Change in immigration laws of the geographies in which the company operates

Risk Owner: CPO

Description: Changes in the local immigration laws in some of countries that Birlasoft operate in, may adversely impact mobility of resources, which is critical for the successful ongoing business. These regulatory changes may disrupt the availability of required resources in some geographies / client locations and organization's ability to cross-deploy and optimally use the resources.

Mitigation Plan:

To address some of these issues, the company increased its intake in these markets by focusing on engaging local talent and reduce dependence on resources on work visa. The Company is also engaging with some customers to increase

off-shoring of some roles to reduce onsite requirement to address the resource mobility issue. The company is continuously monitoring the changes in local immigration law or guidelines to ensure that we are in compliance and also to work with business teams to mitigate the impact, if any.

Risk Event #10 Challenges in integrating entities post M&A

Risk Owner: CXOs

Description: During fiscal 2018-19, the Company underwent a merger which was completed during January 2019. Considering the size of strategic alignment, it is imperative to integrate these 2 entities in terms of culture of the organization, application landscaping, people, processes and policies.

Mitigation Plan:

Birlasoft formed a core team of senior resources across the verticals with an objective to drive the cross section and cross vertical integration and ensure smooth transition. Various important steps were taken by the core team to ensure people, process and technology alignment across these entities and emerge as a unified entity with uniform organization's culture. A stringent process is designed and implemented for meticulous monitoring over the harmonization. Risk management team assisted in performing a risk assessment and in mitigating various key risks. Timelines defined and the integration project is currently on track. Birlasoft management has defined timelines in Q1 or early Q2 to GO LIVE on one system for the entire organization followed by policies and processes harmonization. Though the core transition team is working dedicatedly to ensure timely transition however there is a potential of marginal delay in case of further extension of lockdown scenario under ongoing COVID-19 Pandemic.

Statutory Section

Board's Report

Dear Members,

Your Directors are pleased to present the Twenty Ninth Annual Report on the Business and Operations of the Company along with the Audited Standalone and Consolidated Financial Statements for the financial year ended March 31, 2020.

Summary of Financial Performance

The financial performance of the Company for the financial year ended March 31, 2020, is summarized below:

(₹ in million)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Total Revenue including Other Income	14,971.15	10,268.77	33,339.60	25,767.24
Earnings Before Interest, Depreciation and Tax	3,044.76	1,894.65	4,349.10	3,324.53
Less: Interest	123.46	53.84	161.27	108.43
Less: Depreciation	692.62	390.23	825.79	498.74
Profit Before Tax and Exceptional items	2,228.68	1,450.58	3,362.04	2,717.36
Add: Exceptional items	-	-	-	175.85
Profit before Tax	2,228.68	1,450.58	3,362.04	2,893.21
Less: Taxes	821.14	391.57	1,118.56	539.36
Profit for the Year	1,407.54	1,059.01	2,243.48	2,353.85
Profit for the Year from discontinued operations	-	617.33	-	567.79
Other Comprehensive Income-net of tax	(242.52)	34.18	436.92	153.15
Total Comprehensive Income for the year	1,165.02	1,710.52	2,680.40	3,074.79

Business Performance

The year under review was the first year of operations for new Birlasoft after the restructuring. Your Company focused a great deal on creating a strong foundation for growth and profitability through integration of business and functional entities. The goal was very clear that if a resilient and sustainable organization is to be created, integration, organization structure and talent have to be prioritized over short-term gains. Your Company has been able to achieve the same with satisfaction. Most importantly, your Company has shown good organic Q-o-Q growth in Revenue and EBITDA for the Q3 and Q4, which is at par or better than the peers. This indicates that the Company's strategy to have simultaneous focus on core enterprise solutions and digital is paving the way for good results.

Like most of the other industries, IT sector too got impacted by the COVID-19 pandemic situation and it does pose risks to business as usual. The priority will be to protect the business

by stretching ourselves in delivering better services to the client. In parallel, the Company is also focused on sharpening the capabilities, offerings and value proposition so that it can continuously be seen as a strong and agile partner for the customers. Management is hopeful that the Company will start experiencing business recovery soon and Birlasoft will emerge as much stronger and resilient organization to achieve its goals.

During the year under review, the total revenues from operations (consolidated) increased to ₹ 32,909.69 million, a growth of over 29.00% as compared to the previous year. Earnings before interest, tax, depreciation and amortization was ₹ 3,919.19 million on consolidated basis. Net profit after tax (consolidated) decreased by 4.70% to ₹ 2,243.48 million.

In US Dollar terms, revenues from operations for the year on consolidated basis was \$ 464.00 million as against \$ 366.23 million during the previous year, a growth of 26.70%.

Standalone sales for the financial year 2019-20 grew by 45.90% to reach ₹ 14,621.64 million. Net profit after tax increased by 32.90% to ₹ 1,407.54 million.

Dividend

During the year under review, the Board of Directors declared an Interim Dividend of ₹ 1/- (50%) per equity share of face value of ₹ 2/- each on the paid-up equity share capital of the Company.

Furthermore, your Directors are pleased to recommend a final dividend of ₹ 1/- (50%) per equity share of face value of ₹ 2/- each for the financial year ended March 31, 2020, subject to the approval of members at the ensuing Annual General Meeting of the Company, as against the dividend of ₹ 2/- (100%) per equity share paid in the immediately preceding year.

The total dividend (interim plus final) pay-out would amount to ₹ 610.30 million including dividend distribution tax.

As per Finance Bill 2020, the dividend declared/paid from April 1, 2020, will be taxable in the hands of the members and hence, payment of dividend distribution tax on the final dividend, if approved, will not arise.

The Record Date for the payment of final dividend is Friday, August 14, 2020, for determining the entitlement of the members to the final dividend for the financial year 2019-20.

The Dividend Distribution Policy of the Company is available on web link <https://www.birlasoft.com/company/investors/policies-reports-filings>.

Share Capital

During the year under review, the Company allotted 2,564,769 equity shares of ₹ 2/- each. The issued, subscribed and paid-up capital of the Company, as on March 31, 2020, is ₹ 553.42 million, consisting of 276,708,577 equity shares of ₹ 2/- each.

Transfer to General Reserves

During the year under review, the Company has not made any transfer to the General Reserves.

Credit Rating

The Company has been rated CARE AA- by CARE Ratings Limited ("Credit Rating Agency") for its term bank facilities of ₹ 4,500 million.

Quality and Information Security

Birlasoft is a CMMI Level 5 Organization for last several years in a row. We continue to improve our Quality focus through internal initiatives and by getting assessed against international standards. During the current Voice of Customer cycle, our

customers have appreciated the value delivered by our Project teams and have rated on an average 4.6 in a scale of 1-5, 5 being the highest. This further strengthens our resolve in striving to make societies more productive by helping customers run businesses more efficiently.

In accordance with this, Birlasoft is appraised for CMMI-DEV® (Development) & CMMI-SVC® (Services) V1.3 at Maturity Level 5. Achieving this milestone is a testimony of our commitment to continuously improve our quality & operational processes while at the same time strengthening our delivery capabilities to meet our customers' expectations. In furtherance to the commitment to quality and excellence, our Quality Management system is compliant to ISO 9001:2015 and ISO 20000-1:2011 certification for IT Services.

The Company maintains a matured Information Security Management System with Policies, Processes and Controls to minimize the Cyber Security risks. The governance and management of security compliance and risk is reviewed periodically.

The Company leverages leading industry standard controls to secure its IT infrastructure environment. Your Company also continued to maintain the certifications for Information Security Management (ISO 27001:2013). In addition, NIST Cyber Security Framework has been implemented and has been validated by third parties.

Productivity

Your Company is committed to productivity improvement leading to a path of creation of a wealth of knowledge assets. Multiple initiatives, Knowledge Management, Productivity Forum, myTime, UREKA and VINCI, enable the Company to harness this latent knowledge in the organization and bring it to the fore.

Bi-annual Productivity forum was held for 5 days in January 2020 for the global teams, covering all locations. It is an eagerly watched event by the technical champions who participate in this event in large numbers.

The knowledge management repository has grown to a level where the Company can showcase efficiencies in the deliverables resulting in value to customers. Using the crowdsourcing platform myTime, technical enthusiasts have developed tools which are reusable for productivity improvement initiatives.

Institutional Shareholding

As on March 31, 2020, the total Institutional shareholding in the Company was 33.03% of the total paid-up share capital.

Subsidiaries, Associates and Joint Venture Companies

As on March 31, 2020, the Company has 15 subsidiaries, including step-down subsidiaries.

As per Section 129(3) of the Companies Act, 2013, (hereinafter referred to as "the Act") read with Rule 5 of the Companies (Accounts) Rules, 2014, the Company has prepared consolidated financial statements of the Company and all its subsidiaries, which forms a part of this Annual Report. A statement containing salient features of the financial statements of the subsidiaries in Form AOC-1 is annexed to this Report as "Annexure 1".

In accordance with Section 136(1) of the Act, this Annual Report of the Company, containing the standalone and the consolidated financial statements and all other documents required to be attached thereto have been placed on the website of the Company, www.birlasoft.com. Further, a report on the highlights of performance of subsidiaries and their contribution to the overall performance of the Company has also been placed on the website of the Company. Due to COVID-19 pandemic, the Company shall not be printing the annual accounts of the subsidiaries, the members are therefore requested to download the same from the website of the Company.

During the financial year 2019-20, the Company had no Associate or Joint Venture company.

Board of Directors, its Committees and Meetings thereof

The Company has a professional Board with an optimum combination of executive, non-executive and independent directors (including three woman directors) who bring to the table the right mix of knowledge, skills and expertise. The Board provides strategic guidance and direction to the Company in achieving its business objectives and protecting the interest of the stakeholders. The Board is also supported by five Committees of Directors viz. Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee & Risk Management Committee.

One meeting of the Board of Directors is held in each quarter. Additional meetings of the Board/Committees are convened as may be necessary for the proper management of the business operations of the Company. A separate meeting of Independent Directors is also held at least once in a year to review the performance of non-independent directors, the Board as a whole and the Chairman.

During the year, seven meetings of the Board of Directors were held on May 24, 2019, August 7, 2019, August 12, 2019, October

3, 2019, November 8, 2019, January 31, 2020 and March 27, 2020. The maximum time-gap between any two consecutive meetings was within the period prescribed under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the SEBI (LODR) Regulations, 2015").

During the year under review, Mr. Anjan Lahiri (DIN: 06407055) was the Managing Director & Chief Executive Officer upto May 31, 2019 and Mr. Dharminder Kapoor (DIN: 08443715) was appointed as the Chief Executive Officer & Managing Director w.e.f. June 1, 2019. Further, Mr. Pawan Sharma (DIN: 01924215) was the Whole-time Director upto May 31, 2019. Lastly, Mr. Sachin Tikekar (DIN: 02918460) was appointed as a Nominee Director of KPIT Technologies Limited w.e.f. June 1, 2019 and thereafter, he ceased to be the Director of the Company, w.e.f. February 1, 2020.

In accordance with Section 152, Mr. Chandrakant Birla (DIN: 00118473), a Non-Executive Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors recommends the resolution for re-appointment of Mr. Chandrakant Birla for the approval of the members of the Company at the ensuing Annual General Meeting.

A brief profile and other details relating to the Director seeking re-appointment is furnished in this Annual Report.

A detailed update on the Board and its Committees' composition, number of meetings held during the financial year 2019-20 and attendance of the Directors at these meetings is provided in the Report on Corporate Governance, which forms a part of this Annual Report.

None of the Directors are disqualified under Section 164(2) of the Act.

Independence of the Board

The Board of Directors of the Company comprises of optimum number of Independent Directors. Based on the confirmation/disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and Section 149(6) of the Act:

1. Mr. Anant Talaulicar (DIN: 00031051);
2. Ms. Alka Bharucha (DIN: 00114067);
3. Mr. Ashok Kumar Barat (DIN: 00492930);
4. Ms. Nandita Gurjar (DIN: 01318683); and
5. Mr. Prasad Thrikutam (DIN: 06814004).

All the abovenamed Directors have registered themselves with the Independent Director's Databank.

Key Managerial Personnel

The following persons have been designated as the Key Managerial Personnel of the Company pursuant to Sections 2(51) and 203 of the Act, read with the Rules framed thereunder:

Sr. No.	Name	DIN/Membership Number	Designation	Tenure
1	Mr. Anjan Lahiri	06407055	Managing Director & Chief Executive Officer	Upto May 31, 2019
2	Mr. Dharmander Kapoor	08443715	Chief Executive Officer & Managing Director	W.e.f. June 1, 2019
3	Mr. Rajeev Gupta	ACA 100899	Chief Financial Officer	Upto March 31, 2020
4	Ms. Sneha Padve	ACS 9678	Company Secretary	Ongoing

Auditors

Statutory Auditor

Pursuant to the provisions of Section 139(1) of the Act, read with the Companies (Audit and Auditors) Rules, 2014, B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No.: 101248W/W - 100022), was re-appointed as the Statutory Auditor of the Company, in the Annual General Meeting held on August 7, 2019, for a period of four years till the conclusion of the Annual General Meeting to be held in the year 2023.

The Notes on the Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. There are no qualifications, reservations or adverse remarks in the Auditor's Report for the financial year ended March 31, 2020 and during the year, the Auditor had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(c) of the Act.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Dr. K. R. Chandratre, Practising Company Secretary (FCS No.: 1370 and CP No.: 5144), was appointed as the Secretarial Auditor to conduct audit for the year under review. The Secretarial Auditor's report for the year under review is annexed to this Report as "Annexure 2". The report does not contain any qualification, reservation or adverse remark. During the year under review, the Secretarial Auditor has not reported any matter under Section 143(12) of the Act, and therefore no details are required to be disclosed under Section 134(3)(c) of the Act.

The Board proposes to re-appoint Dr. K. R. Chandratre, Practising Company Secretary (FCS No.: 1370 and CP No.: 5144), as the Secretarial Auditor of the Company, for the financial year 2020-21.

Internal Auditor

The Internal Auditor of the Company reports functionally to the Chief Executive Officer & Managing Director and the Audit Committee of Board, which reviews and approves risk based annual internal audit plan. The Audit Committee periodically reviews the performance of internal audit function.

Corporate Governance

Pursuant to Regulation 34 of the SEBI (LODR) Regulations, 2015, the Report on Corporate Governance for the year ended March 31, 2020, with a detailed compliance report thereon forms an integral part of this Annual Report and is set out as separate section therein. The Auditor's Certificate in respect of compliance with the provisions concerning Corporate Governance, forms a part of Report on Corporate Governance presented in a separate section forming part of this Annual Report, as required under the SEBI (LODR) Regulations, 2015.

Management Discussion and Analysis

In terms of provisions of Regulation 34(2) of the SEBI (LODR) Regulations, 2015, a detailed review of the operations, performance and outlook of the Company and its business is given in the Management Discussion and Analysis Report, which is presented in a separate section forming part of this Annual Report.

Awards & Recognition

In recognition of its constant quest for excellence, your Company has been honoured and recognised at various forums. The prominent awards are listed below for your reference:

- Birlasoft named 'Top 15 Technology Services Provider' by Information Services Group (ISG)
- Birlasoft wins 'Distinguished Partner Award' at the Oracle JD Edwards Summit 2019
- Birlasoft featured in the Everest Group PEAK Matrix Service Provider: Top 10 ITS Challengers list 2020

- Birlasoft featured as a Major Contender and a Star Performer in Everest Group Application and Digital Services in Banking – PEAK Matrix™ Assessment 2020
- Birlasoft wins Two Oracle Excellence Awards for 2019 at the Oracle India Partner Forum FY19 in Jaipur
- Birlasoft featured in Execution Zone for 7 major industry verticals in Zinnov Zones 2019 Media and Technology Report
- Birlasoft recognized as Niche Player in 2019 ‘Magic Quadrant for Oracle Cloud Applications Services, Worldwide’
- Birlasoft recognized with the ‘Companies with Great Managers’ award at the 4th Edition of the ‘Great Managers Awards’ 2019
- Birlasoft honoured with the ACE Alliance Award for successful partnership with SAP®.

Particulars of Employees, Directors and Key Managerial Personnel

The ratio of the remuneration of each Director to the median employee’s remuneration and other details prescribed in Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are annexed to this Report as “Annexure 3”.

In terms of the provisions of Section 197(12) of the Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of employees and other particulars of the top ten employees and employees drawing remuneration in excess of the limits as provided in the said Rules are set out in the Board’s Report as an addendum thereto. However, in terms of provisions of the first proviso to Section 136(1) of the Act, this Annual Report is being sent to the members of the Company excluding the aforesaid information. The said information is available for inspection and any member interested in obtaining such information may write to the Company Secretary for the same.

Employees Stock Option Plan (ESOPs)

The Company introduced the “Birlasoft Share Incentive Plan - 2019” (“Birlasoft Plan”) which provides for grant of Stock Options and Restricted Stock Units (“RSUs”) to eligible employees of the Company.

During the financial year 2019-20, 7,094,575 Stock Options and 1,644,863 RSUs were granted under the Birlasoft Plan. There is no change in the Birlasoft Plan of the Company during the financial year. The applicable disclosures under the Securities and Exchange Board of India (Share Based Employee Benefits)

Regulations, 2014 (“SEBI Regulations”) as at March 31, 2020, is annexed to this Report as “Annexure 4” and have been uploaded on the website of the Company and can be accessed through the web link <https://www.birlasoft.com/company/investors/policies-reports-filings>.

Certificate from B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No.: 101248W/W – 100022), Statutory Auditor of the Company confirming that the schemes have been implemented in accordance with the SEBI Regulations, would be placed at the ensuing Annual General Meeting of the Company for inspection by the members.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has a zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention and prohibition of sexual harassment at workplace and has also put in place a redressal mechanism for resolving complaints received with respect to sexual harassment and discriminatory employment practices for all genders. The Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment. As part of the orientation programs for all new joiners, the Company mandates that they complete an e-learning module on the same as well.

During the year under review, no complaint of sexual harassment was received by the Company. Details as per the provisions of Sections 21 and 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, are as under:

Number of cases pending at the beginning of the financial year	Nil
Number of complaints filed during the financial year	Nil
Number of cases pending at the end of the financial year	Nil
Details of workshops or awareness programs against sexual harassment carried out	The Company regularly conducts necessary awareness programs for its employees and all employees are provided detailed education during the induction
Nature of action taken by the employer or district officer	Not Applicable

Deposits

During the financial year under review, the Company did not accept deposits covered under Chapter V of the Act.

Policy on Directors' appointment and remuneration

Pursuant to the provisions of Section 134(3)(e) of the Act, the policy of the Company on the appointment and remuneration of Directors including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Act is annexed to this Report as "Annexure 5". The Nomination and Remuneration Policy as approved by the Board is available on the Company's website and can be accessed through the web link <https://www.birlasoft.com/company/investors/policies-reports-filings>.

Particulars of loans, guarantees or investments under Section 186 of the Act

During the financial year under review, your Company has neither given any loan nor made any investment or provided securities which are covered under the provisions of Section 186 of the Act.

Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results:

Name	Nature of transaction	Amount (₹ in million)
National Engineering Industries Limited	Rent	1.39
	Miscellaneous expenses	0.51

Related Party Transactions

The Company has adequate procedures for identification and monitoring of related party transactions. All the transactions entered into with the related parties during the financial year were on arm's length basis and were in the ordinary course of business. All related party transactions were placed before the Audit Committee and the Board for approval, wherever required. Prior omnibus approval of the Audit Committee is obtained for the transactions that are repetitive in nature. These transactions are reviewed by the Audit Committee on a quarterly basis.

There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial

Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

For details on related party transactions, members may refer to the notes to the financial statement. The Policy on related party transactions as approved by the Board is available on the Company's website and can be accessed through the web link <https://www.birlasoft.com/company/investors/policies-reports-filings>.

Pursuant to the provisions of Section 134(3)(h) of the Act, the particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act and prescribed in Form AOC-2 of Companies (Accounts) Rules, 2014, is annexed to this Report as "Annexure 6".

Material changes and commitments

There are no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year of the Company to which the financial statements relate and till the date of this Report.

Significant and material orders

There are no significant and material orders passed by any regulators or courts or tribunals against the Company impacting the going concern status and Company's operations in future.

Risk Management Policy

The Company has constituted a Risk Management Committee ("RMC") of the Board to review the risk management plan/process of the Company. The Risk Management Committee identifies potential risks, assesses their potential impact and takes timely action to mitigate the same.

The Company has a Risk Management Policy which has been approved by the Board. The Risk Management Policy acts as an overarching statement of intent and establishes the guiding principles by which key risks are managed across the organization. The Board monitors and reviews periodically the implementation of various aspects of the Risk Management Policy through a duly constituted RMC. The RMC assists the Board in its oversight of the Company's management of key risks, including strategic and operational risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks under the aegis of the overall Business Risk Management Framework.

A write-up on Enterprise Risk Management forms part of this Annual Report.

There are no risks identified by the Board which may threaten the existence of the Company.

Internal Control Systems and Adequacy of Internal Financial Controls

The Company has put in place adequate internal financial control procedures commensurate with its size, complexity and nature of business. The Company has identified and documented all key financials controls, which impact the financial statements as part of its Standard Operating Procedures (SOP). The financial controls are tested for operating effectiveness through ongoing monitoring and review process by the management and also independently by the Internal Auditor. Where weaknesses are identified as a result of the reviews, new procedures are put in place to strengthen controls and these are in turn reviewed at regular intervals. The Internal Auditor of the Company reports functionally to the Audit Committee of Board, which reviews and approves risk based annual internal audit plan. The Audit Committee periodically reviews the performance of internal audit function.

Basis the review, nothing has come to the attention of Directors to indicate that any material breakdown in the function of these controls, procedures or systems occurred during the year under review.

Audit Committee

The Company has a duly constituted Audit Committee in line with the provisions of the Act and the SEBI (LODR) Regulations, 2015. The primary objective of the Committee is to monitor and provide effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest level of transparency, integrity and quality of financial reporting. The Committee met five times during the year. Detailed information pertaining to the Audit Committee has been provided in the Report on Corporate Governance.

Committee Recommendations

During the year, recommendations of all the Committees were accepted by the Board. The composition of the Committees is mentioned in the Report on Corporate Governance, which forms a part of this Annual Report.

Corporate Social Responsibility ("CSR")

The Policy on Corporate Social Responsibility of the Company and the details about the development of CSR Policy and initiatives taken by the Company on CSR during the year as per the Companies (Corporate Social Responsibility Policy) Rules, 2014, has been annexed to this Report as "Annexure 7".

The CSR Policy of the Company is placed on the website of the Company and can be accessed through the web link <https://www.birlasoft.com/company/investors/policies-reports-filings>.

Formal Annual Evaluation by the Board, Committees and Individual Directors

A formal evaluation of the performance of the Board, its Committees, the Chairman and the individual Directors was carried out for the financial year 2019-20. The performance evaluation was done using individual questionnaires, covering amongst others, composition of Board, receipt of regular inputs and information, functioning, performance and structure of Board Committees, skill set, knowledge and expertise of directors, preparation and contribution at Board meetings, leadership, etc. The performance evaluation of the respective Committees and that of independent and non-independent directors was done by the Board excluding the Director being evaluated.

The performance evaluation of Non-Independent Directors, the Chairman and the Board was done by the Independent Directors.

Vigil Mechanism and Whistle Blower Policy

The Company has established a vigil mechanism as per Regulation 22 of the SEBI (LODR) Regulations, 2015, for the Directors and employees to report their genuine concerns. The details of the same are explained in the Report on Corporate Governance. The Vigil Mechanism and Whistle Blower Policy may be accessed on the Company's website at the link <https://www.birlasoft.com/company/investors/policies-reports-filings>.

Extract of Annual Return

Pursuant to Sections 134(3)(a) and 92(3) of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the relevant extract of Annual Return in Form MGT-9, for the financial year 2019-20, is annexed as "Annexure 8" to this Report.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed as "Annexure 9" to this Report.

Responsibility Statement of the Board of Directors

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors state that:

- i) in the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended March 31, 2020;
- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the annual financial statements on a going concern basis;
- v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CEO & CFO Certification

As required by Regulation 17(8) of the SEBI (LODR) Regulations, 2015, the CEO and CFO certificate, for the year under review was placed before the Board of Directors of the Company at its meeting held on May 20, 2020.

A copy of such certificate forms a part of the Report on Corporate Governance.

Cost Records

The Company is not required to maintain cost records under the provisions of Section 148(1) of the Act.

Secretarial Standards issued by the Institute of Company Secretaries of India

The Company complies with all applicable mandatory Secretarial Standards as issued by the Institute of Company Secretaries of India ("ICSI").

New Delhi
May 20, 2020

Listing with Stock Exchanges

The Equity Shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited. The Annual Listing Fees for the financial year 2020-21 have been paid to these exchanges.

Directors & Officers Insurance Policy

The Company has in place an insurance policy for its Directors & Officers with a quantum and coverage as approved by the Board. The policy complies with the requirement of Regulation 25(10) of SEBI (LODR) Regulations, 2015.

Other Statutory Disclosures

Your Directors state that no disclosure or reporting is required with respect to the following items as there were no transactions related to these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issues of sweat equity shares.
3. Provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.

Acknowledgments

Your Directors take this opportunity to thank all the members of the Company for their continued support.

Your Directors thank all the customers, vendors, investors and bankers for their continued support during the year. Your Directors place on record their appreciation to the contribution made by the employees at all levels. The Company's consistent growth was made possible by their hard work, solidarity, co-operation and support.

Your Directors further thank the governments of various countries where the Company have its operations. Your Directors also thank the Government of India, particularly the Ministry of Communication and Information Technology, the Ministry of Commerce, the Ministry of Finance, the Ministry of Corporate Affairs, the Customs and Excise Departments, the Income Tax Department, the Reserve Bank of India, the State Governments, the Software Development Centers (SDCs)/ Special Economic Zones (SEZs) – Pune, Noida, Mumbai, Navi Mumbai, Chennai, Bengaluru, Hyderabad and all other government agencies for their support and look forward to their continued support in future.

For and on behalf of the Board of Directors

Amita Birla
Chairman
DIN: 00837718

Form No. AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

Sr. No.	Name of the subsidiary	₹ in million except exchange rate)														
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	Birtasoft Solutions France (formerly KPIT Technologies France)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Birtasoft Solutions Inc. (formerly KPIT Infosystems Incorporated)	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	Birtasoft Computer Corporation (formerly System Computer Corporation)	75.39	75.39	75.39	75.39	75.39	75.39	75.39	75.39	75.39	75.39	75.39	75.39	75.39	75.39	75.39
	Birtasoft Consulting Inc. (formerly Sparta Consulting Inc.)	384.86	384.86	384.86	384.86	384.86	384.86	384.86	384.86	384.86	384.86	384.86	384.86	384.86	384.86	384.86
	Birtasoft Solutions ME FZE (formerly KPIT Infosystems ME FZE)	24.42	24.42	24.42	24.42	24.42	24.42	24.42	24.42	24.42	24.42	24.42	24.42	24.42	24.42	24.42
	Birtasoft Solutions GmbH (formerly KPIT Infosystems GmbH)	83.05	83.05	83.05	83.05	83.05	83.05	83.05	83.05	83.05	83.05	83.05	83.05	83.05	83.05	83.05
	Birtasoft Solutions Ltda. (formerly KPIT Soluções em Informática Ltda.)	14.45	14.45	14.45	14.45	14.45	14.45	14.45	14.45	14.45	14.45	14.45	14.45	14.45	14.45	14.45
	Birtasoft Technologies Canada Corporation (formerly KPIT Technologies Corporation)	53.60	53.60	53.60	53.60	53.60	53.60	53.60	53.60	53.60	53.60	53.60	53.60	53.60	53.60	53.60
	Birtasoft Solutions Limited (formerly KPIT Infosystems Limited)	46.54	46.54	46.54	46.54	46.54	46.54	46.54	46.54	46.54	46.54	46.54	46.54	46.54	46.54	46.54
	Birtasoft Inc.	38.17	38.17	38.17	38.17	38.17	38.17	38.17	38.17	38.17	38.17	38.17	38.17	38.17	38.17	38.17
	Enablepath LLC (Refer note 'f' below)	607.80	607.80	607.80	607.80	607.80	607.80	607.80	607.80	607.80	607.80	607.80	607.80	607.80	607.80	607.80
	Birtasoft (UK) Limited (Refer note 'f' and 'i' below)	13.96	13.96	13.96	13.96	13.96	13.96	13.96	13.96	13.96	13.96	13.96	13.96	13.96	13.96	13.96
	Birtasoft GmbH (Refer note 'g' below)	2.08	2.08	2.08	2.08	2.08	2.08	2.08	2.08	2.08	2.08	2.08	2.08	2.08	2.08	2.08
	Birtasoft Sdn. Bhd.	17.52	17.52	17.52	17.52	17.52	17.52	17.52	17.52	17.52	17.52	17.52	17.52	17.52	17.52	17.52
	Birtasoft Solutions Mexico, S.A. DE C.V. (formerly KPIT Infosystems Mexico, S.A. DE C.V.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Share capital	8.30	4199.73	8.29	384.86	24.42	2.08	58.11	0.00	46.54	38.17	607.80	13.96	2.08	0.09	-
	Reserves & surplus	25711	643.86	1,003.69	95.92	154.71	(11.24)	(31.70)	831.47	(16.32)	2,851.28	(831.73)	212.81	(3.03)	2215	(218)
	Total assets (excluding 9 below)	440.44	7,927.87	1,769.03	1,081.61	277.56	861.59	129.36	806.54	1,518.02	3,843.41	(223.93)	388.91	(0.75)	2842	0.43
	Total liabilities (excluding 5 & 6 above)	175.03	3,084.28	757.05	600.83	98.43	870.75	102.95	(24.93)	1,487.80	953.96	-	162.14	0.20	618	2.61
	Investments (except in case of investment in subsidiaries)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Turnover	353.44	11,919.10	2,689.06	3,382.03	18.84	985.23	442.08	911.90	825.42	9171.08	-	645.58	-	10.26	0.34
	Profit/(Loss) before taxation	52.26	341.18	(270.5)	(167.82)	(60.00)	(31.63)	38.85	139.03	(45.21)	762.74	(0.17)	32.88	(0.20)	(0.30)	(218)

(₹ in million except exchange rate)

Sr. No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Name of the subsidiary	Birlasoft Solutions France (formerly KPIT Technologies France)	Birlasoft Solutions Inc. (formerly KPIT Infosystems Incorporated)	Birlasoft Computer Corporation (formerly Systeme Computer Corporation)	Birlasoft Consulting Inc. (formerly Sparta Consulting Inc.) (Refer note 'a' below)	Birlasoft Solutions ME FZE (formerly KPIT Infosystems ME FZE) (Refer note 'b' below)	Birlasoft Solutions GmbH (formerly KPIT Infosystems GmbH) (Refer note 'c' below)	Birlasoft Solutions Ltda. (formerly KPIT Soluções em Informática Ltda.) (Refer note 'd' below)	Birlasoft Technologies Canada Corporation (formerly KPIT Technologies Corporation) (Refer note 'e' below)	Birlasoft Solutions Limited (formerly KPIT Infosystems Limited)	Birlasoft Inc.	Enablepath LLC (Refer note 'f' below)	Birlasoft (UK) Limited (Refer note 'i' and 'j' below)	Birlasoft CmbH (Refer note 'g' below)	Birlasoft Sdn. Bhd.	Birlasoft Solutions Mexico, S.A. DE C.V. (formerly KPIT Infosystems Mexico, S.A. DE C.V. (Refer note 'h' below)
Provision for taxation	(15.21)	(26.22)	8.70	(21.22)	(0.21)	-	(9.31)	(38.16)	-	(185.88)	-	(10.11)	-	0.24	-
Profit/(Loss) after taxation	37.05	314.96	(18.35)	(189.04)	(60.21)	(31.63)	29.54	100.87	(45.21)	576.86	(0.17)	22.77	(0.20)	(0.06)	(2.18)
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Notes:

- 100% owned by Birlasoft Solutions Inc. (formerly KPIT Infosystems Incorporated).
- Includes Birlasoft Solutions ME FZE, Australia Branch and Birlasoft Solutions ME FZE, Korea Branch.
- 100% owned by Birlasoft Solutions Limited [formerly KPIT Infosystems Limited (UK)].
- 99.99% owned by Birlasoft Solutions Inc. (formerly KPIT Infosystems Incorporated) and 0.01% owned by Birlasoft Limited.
- 100% owned by Birlasoft Computer Corporation (formerly Systeme Computer Corporation).
- 100% owned by Birlasoft Inc.
- 100% owned by Birlasoft (UK) Limited.
- 98% owned by Birlasoft Solutions Inc. (formerly KPIT Infosystems Incorporated) and 2% owned by Birlasoft Consulting Inc. (formerly Sparta Consulting Inc.).
- Includes Birlasoft (UK) Limited, Netherlands Branch.
- Part "B" of this statement is not applicable, as the Company neither has any associates nor joint ventures.

For and on behalf of the Board of Directors

New Delhi
May 20, 2020

Amita Birla
Chairman
DIN: 00837718

Annexure 2

SECRETARIAL AUDIT REPORT

for the financial year ended 31 March, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Birlasoft Limited,
35 & 36, Rajiv Gandhi Infotech Park,
Phase - I, MIDC, Hinjawadi, Pune – 411057.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Birlasoft Limited (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2020 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2020, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): –

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **(Not applicable to the Company during Audit Period)**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and 2018 **(Not applicable to the Company during the Audit Period)**.

(vi) I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:

(a) The Information Technology Act, 2000.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India; and
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards.

Dr. K. R. Chandratre

FCS No.: 1370, C. P. No.: 5144

UDIN: F001370B000262862

Place: Pune

Date: 20 May 2020

Annexure 3

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Particulars	Disclosure	
i.	The ratio of the remuneration of each Director to the median remuneration of the employees for the financial year	Mrs. Amita Birla	6.15
		Mr. Chandrakant Birla	2.46
		Mr. Anjan Lahiri*	Not Applicable
		Mr. Pawan Sharma*	Not Applicable
		Mr. Anant Talaulicar	3.08
		Ms. Alka Bharucha	2.46
		Mr. Ashok Kumar Barat	3.69
		Ms. Nandita Gurjar	2.46
		Mr. Prasad Thrikutam	6.15
		Mr. Dharmander Kapoor*	Not Applicable
		Mr. Sachin Tikekar*	Not Applicable
			*Not applicable as figures for 2019-20 are for the part of the year.
ii.	The percentage increase in remuneration of each Director, CFO, CS in the financial year	Mrs. Amita Birla*	Not Applicable
		Mr. Chandrakant Birla*	Not Applicable
		Mr. Anjan Lahiri*	Not Applicable
		Mr. Pawan Sharma*	Not Applicable
		Mr. Anant Talaulicar	28.38
		Ms. Alka Bharucha*	Not Applicable
		Mr. Ashok Kumar Barat*	Not Applicable
		Ms. Nandita Gurjar*	Not Applicable
		Mr. Prasad Thrikutam*	Not Applicable
		Mr. Dharmander Kapoor*	Not Applicable
		Mr. Sachin Tikekar*	Not Applicable
		Mr. Rajeev Gupta*	Not Applicable
		Ms. Sneha Padve (CS)	19.32**
			*Not applicable as figures for 2019-20 are for the part of the year.
	**including retention bonus.		
iii.	The increase in the median remuneration of employees in the financial year	(0.40%)	
iv.	The number of permanent employees on the rolls of the Company	8,406 employees as on March 31, 2020.	

Sr. No.	Particulars	Disclosure
v.	Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentage increase in salaries of employees other than Managerial Personnel is 8.52%. Average increase in the remuneration of Directors and other Key Managerial Personnel is not comparable as the remuneration given to Directors & Key Managerial Personnel is for part of the year.
vi.	It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company.	

For and on behalf of the Board of Directors

New Delhi
May 20, 2020

Amita Birla
Chairman
DIN: 00837718

Annexure 4

EMPLOYEE STOCK OPTION PLANS (ESOPs)

Disclosure pursuant to Section 62 of the Companies Act, 2013, read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as on March 31, 2020

A. Summary of Status of ESOPs/RSUs

The position of the existing scheme is summarized as under:

Sr. No.	Particulars	ESOP 2004 Scheme	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme	BSLRSU2019 Scheme	BSLSIP2019 Scheme
I. Details of the ESOPs/RSUs:								
1	Date of Shareholder's Approval	September 28, 2001	August 28, 2006	April 11, 2014	August 19, 2015	August 29, 2018	October 3, 2019	October 3, 2019
2	Total Number of Options/RSUs approved #	7,546,265	13,683,562	1,000,000	2,500,000	4,769,267	1,648,300	10,714,200
3	Vesting Requirements	The Options shall vest over a period of 1 to 3 years from the date of grant, as follows: End of year 1: 33% End of year 2: 33% End of year 3: 34%	The Options shall vest over a period of 1 to 3 years from the date of grant, as follows: End of year 1: 30% End of year 2: 30% End of year 3: 40%	The Options shall vest over a period of 1 to 3 years from the date of grant, as follows: End of year 1: 30% End of year 2: 30% End of year 3: 40%	The Options shall vest over a period of 1 to 3 years from the date of grant, as follows: End of year 1: 30% End of year 2: 30% End of year 3: 40%	The Options shall vest as follows: March 15, 2019: 30% (after adjusting the minimum vesting period completed under the Erstwhile BIL ESOP vis-à-vis the 2015 Options) March 15, 2020: 30% March 15, 2021: 40%	The RSUs shall vest as follows: End of year 2 : 50% End of year 3: 50%	The Options shall vest as follows: End of year 2 : 50% End of year 3: 50%
4	The Pricing Formula/ Exercise Price	Closing Market Price of the Company's equity share on the Stock Exchange which has highest trading volumes, on the day prior to the date of grant of Options.	Closing Market Price of the Company's equity share on the Stock Exchange which has highest trading volumes, on the day prior to the date of grant of Options.	The Exercise Price shall be equal to face value of shares i.e. ₹ 2/- per option.	Closing Market Price of the Company's equity share on the Stock Exchange which has highest trading volumes, on the day prior to the date of grant of Options.	₹ 310 per share	The Exercise Price shall be equal to face value of shares i.e. ₹ 2/- per RSU.	Closing Market Price of the Company's equity share on the Stock Exchange which has highest trading volumes, on the day prior to the date of grant of Options.

Sr. No.	Particulars	ESOP 2004 Scheme	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme	BSLRSU2019 Scheme	BLSLIP2019 Scheme
5	Maximum term of Options/RSUs granted (years)	a. For Vested Options: Maximum period of 3 years from the date of grants. b. For Exercise of Options: Maximum period of 5 years from the date of vesting of options granted.	a. For Vested Options: Maximum period of 3 years from the date of grants. b. For Exercise of Options: Maximum period of 5 years from the date of vesting of options granted.	a. For Vested Options: Maximum period of 3 years from the date of grants. b. For Exercise of Options: Maximum period of 5 years from the date of vesting of options granted.	a. For Vested Options: Maximum period of 3 years from the date of grants. b. For Exercise of Options: Maximum period of 5 years from the date of vesting of options granted.	a. For Vested Options: Maximum period of 3 years from the date of grants. b. For Exercise of Options: Maximum period of 4 years from the date of vesting of options granted.	Maximum period of 4 years from the date of vesting of RSUs.	Maximum period of 4 years from the date of vesting of Options granted.
6	Method of Settlement	All Options/RSUs granted would be settled in Equity Shares in the ratio of 1:1						
7	Source of shares	These Schemes use both new issue of shares by the Company (Primary Shares) as well as secondary acquisition of shares (Secondary Shares) by the Trust as source of shares for implementation.						
8	Variation in terms of ESOP/RSU	Nil						

#The total number of Options approved under each Scheme has been adjusted for subsequent share splits and bonus issues for better understanding.

Sr. No.	Particulars	ESOP 2004 Scheme		ESOP 2006 Scheme		ESOP 2014 Scheme		ESOP 2015 Scheme		ESOP 2019 Scheme		BSLRSU2019 Scheme		BLSLIP2019 Scheme	
		No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of RSUs	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price
II. Options/RSUs Movement during the year ended March 2020:															
1	No. of Options/RSUs outstanding at the beginning of the year	0	0.00	1,229,650	55.54	30,000	2.00	547,800	60.58	4,753,138	3.10	0	0.00	0	0.00
2	Options/RSUs granted during the year	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	1,644,863	2.00	7,094,575	62.46
3	Options/RSUs forfeited/surrendered during the year*	0	0.00	75,695	55.54	30,000	2.00	51,000	60.58	599,353	3.10	411,216	2.00	901,644	62.82

Sr. No.	Particulars	ESOP 2004 Scheme		ESOP 2006 Scheme		ESOP 2014 Scheme		ESOP 2015 Scheme		ESOP 2019 Scheme		BSLSIP2019 Scheme			
		No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price		
4	Options/RSUs lapsed during the year	0	0.00	64,200	49.39	0	0.00	0	0.00	0	0.00	0	0.00		
5	Options/RSUs exercised during the year	0	0.00	305,600	49.91	0	0.00	0	0.00	2,564,769	3.10	0	0.00		
6	Total number of shares arising as a result of exercise of Options/RSUs	0	0.00	305,600	49.91	0	0.00	0	0.00	2,564,769	3.10	0	0.00		
7	Money realised by exercise of Options/RSUs (₹)	0	0.00	4,868,522	0.00	0	0.00	0	0.00	7950,784	0.00	0	0.00		
8	Number of Options/RSUs outstanding at the end of the year	0	0.00	784,155	58.14	0	0.00	496,800	60.78	1,589,016	3.10	1,233,647	2.00	6,192,931	62.40
9	Number of Options/RSUs exercisable at the end of the year	0	0.00	784,155	58.14	0	0.00	496,800	60.78	734,548	3.10	0	0.00	0	0.00

*Options forfeited/surrendered during the year includes Options adjusted for corporate action & Birtasoft Options to KPIT Employees under ESOP 2006 & ESOP 2015 Schemes.

Sr. No.	Particulars	ESOP 2004 Scheme		ESOP 2006 Scheme		ESOP 2014 Scheme		ESOP 2015 Scheme		ESOP 2019 Scheme ^a		BSLSIP2019 Scheme	
		No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price
1	Options/RSUs movement during the year ended March 2019:												
	No. of Options outstanding at the beginning of the year	153,938	70.60	3,102,423	95.53	135,000	2.00	989,050	106.76	0	0.00	0	0.00

Sr. No.	Particulars	ESOP 2004 Scheme		ESOP 2006 Scheme		ESOP 2014 Scheme		ESOP 2015 Scheme		ESOP 2019 Scheme [®]		BSLRSU2019 Scheme		BSLSIP2019 Scheme	
		No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of RSUs	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price
2	Options granted during the year	0	0.00	0	0.00	0	0.00	0	0.00	4,769,246 [#]	3.10	0	0.00	0	0.00
3	Options forfeited/ surrendered during the year	0	0.00	73,935	95.91	0	0.00	46,300	115.58	16,108	3.10	0	0.00	0	0.00
4	Options lapsed during the year	40,508	70.60	68,900	88.95	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
5	Options exercised during the year	113,430	70.60	1,729,938	93.98	105,000	2.00	394,950	105.44	0	0.00	0	0.00	0	0.00
6	Total number of shares arising as a result of exercise of Options	113,430	0.00	1,729,938	0.00	105,000	0.00	394,950	0.00	0	0.00	0	0.00	0	0.00
7	Money realised by exercise of Options (₹)	8,008,158	0.00	162,577,894	0.00	210,000	0.00	41,643,815	0.00	0	0.00	0	0.00	0	0.00
8	Number of Options outstanding at the end of the year	0	0.00	1,229,650	55.54	30,000	2.00	547,800	60.58	4,753,138	3.10	0	0.00	0	0.00
9	Number of Options vested & exercisable at the end of the year	0	0.00	1,229,650	55.54	30,000	2.00	492,800	59.07	1,425,921	3.10	0	0.00	0	0.00

[®]The weighted average share price of the options exercised under Employee Stock Option Scheme 2019 on the date of exercise during the year was Nil.

[#]Total number of Options approved during the year is 4,769,269 and total number of Options granted during the year is 47,69,246. The difference of 21 options is due to the fractions created by applying the swap ratio.

Sr. No.	Particulars	ESOP 2004 Scheme	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme	BSLRSU2019 Scheme	BSLSIP2019 Scheme
III	Diluted Earnings Per Share pursuant to issue of shares on exercise of Options/RSUs calculated in accordance with Accounting Standard (AS) 20				8.06			
	Method of Accounting	Fair Value Method in accordance with Ind-AS 102: share based payment						
Sr. No.	Particulars	ESOP 2004 Scheme	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme	BSLRSU2019 Scheme	BSLSIP2019 Scheme
IV.	Weighted Average Fair Value of Options/RSUs granted during the year ended March 2020 whose:							
(a)	Exercise price equals market price	0.00	0.00	0.00	0.00	0.00	0.00	22.28
(b)	Exercise price is greater than market price	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c)	Exercise price is less than market price	0.00	0.00	0.00	0.00	0.00	52.61	0.00
	Weighted Average Fair Value of Options granted during the year ended March 2019 whose:							
(a)	Exercise price equals market price	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b)	Exercise price is greater than market price	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c)	Exercise price is less than market price	0.00	0.00	0.00	0.00	91.54	0.00	0.00
Sr. No.	Particulars	ESOP 2004 Scheme	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme	BSLRSU2019 Scheme	BSLSIP2019 Scheme
V.	The weighted average market price of Options exercised during the year ended March 2020	0.00	72.90	0.00	0.00	73.29	0.00	0.00
	The weighted average market price of Options exercised during the year ended March 2019	275.28	244.32	270.85	232.55	0.00	0.00	0.00

Sr. No.	Particulars	ESOP 2004 Scheme	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme	BSLRSU2019 Scheme	BLSLIP2019 Scheme
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VI. Employee-wise details of Options/RSUs granted during the financial year 2019-20 to:

(i) Senior Managerial Personnel

Sr. No.	Name of the Employee	No. of Options Granted	Exercise Price (₹)	No. of Options Granted	Exercise Price (₹)	No. of Options Granted	Exercise Price (₹)	No. of Options Granted	Exercise Price (₹)	No. of RSUs Granted	Exercise Price (₹)	No. of Options Granted	Exercise Price (₹)
1	Mr. Dharmander Kapoor	0	0.00	0	0.00	0	0.00	0	0.00	822,431	2.00	548,287	61.95
2	Mr. Rajeev Gupta (Resigned w.e.f. March 31, 2020)	0	0.00	0	0.00	0	0.00	0	0.00	205,608	2.00	137,072	61.95
3	Mr. Samit Deb (Resigned w.e.f. March 16, 2020)	0	0.00	0	0.00	0	0.00	0	0.00	205,608	2.00	137,072	61.95
4	Mr. Shreeranganath Kulkarni	0	0.00	0	0.00	0	0.00	0	0.00	205,608	2.00	137,072	61.95
5	Mr. Roopinder Singh	0	0.00	0	0.00	0	0.00	0	0.00	205,608	2.00	137,072	61.95
6	Ms. Sneha Padve	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	45,000	61.95

(ii) Employees who were granted, during any one year, Options/RSUs amounting to 5% or more of the Options/RSUs granted during the year

Sr. No.	Name of the Employee	No. of Options Granted	No. of Options Granted	No. of Options Granted	No. of Options Granted	No. of Options Granted	No. of RSUs Granted	No. of Options Granted	No. of Options Granted
1	Mr. Dharmander Kapoor	0	0	0	0	0	822,431	0	548,287
2	Mr. Rajeev Gupta (Resigned w.e.f. March 31, 2020)	0	0	0	0	0	205,608	0	0
3	Mr. Samit Deb (Resigned w.e.f. March 16, 2020)	0	0	0	0	0	205,608	0	0
4	Mr. Shreeranganath Kulkarni	0	0	0	0	0	205,608	0	0
5	Mr. Roopinder Singh	0	0	0	0	0	205,608	0	0

(iii) Identified employees who were granted Option/RSU, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant

Sr. No.	Name of the Employee	No. of Options Granted	ESOP 2004 Scheme	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme	No. of RSUs Granted	No. of Options Granted
	None of the employees were granted 1% or more of the issued capital of the Company at the time of grant during the year								

Sr. No.	Particulars	ESOP 2004 Scheme	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme	BSLRSU2019 Scheme	BSLSIP2019 Scheme
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VII. Method and assumptions used to estimate the fair value of Options/RSUs granted during the year ended March 2020:

The fair value has been calculated using the Black Scholes Option Pricing model

The assumptions used in the model are as follows:

Sr. No.	Variables	Weighted Average	Weighted Average	Weighted Average	Weighted Average	Weighted Average	Weighted Average	Weighted Average
1	Risk Free Interest Rate (%)	0.00	0.00	0.00	0.00	0.00	6.04	6.05
2	Expected Life (in years)	0.00	0.00	0.00	0.00	0.00	4.16	4.16
3	Expected Volatility (%)	0.00	0.00	0.00	0.00	0.00	47.54	47.49
4	Dividend Yield (%)	0.00	0.00	0.00	0.00	0.00	3.23	3.23
5	Exercise Price (₹)	0.00	0.00	0.00	0.00	0.00	2.00	62.46
6	Price of the underlying share in market at the time of the option grant (₹)	0.00	0.00	0.00	0.00	0.00	61.95	62.46

Assumptions:

- Stock Price: Closing price of the equity shares of the Company on the National Stock Exchange of India Limited on the trading day, prior to the date of grant has been considered.
- Volatility: The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.
- Risk-free rate of return: The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the Options based on the zero-coupon yield curve for Government Securities.
- Exercise Price: Exercise Price of each specific grant has been considered.
- Time to Maturity: Time to Maturity/Expected Life of Options/RSUs is the period for which the Company expects the Options/RSUs to be live.
- Expected dividend yield: Expected dividend yield has been calculated as an average of dividend yields for five financial years preceding the date of the grant.

VIII. Effect of share-based payment transactions on the entity's Profit or Loss for the period:

(₹ in million)

Sr. No.	Particulars	31-Mar-20	31-Mar-19
1	Employee Option Plan Expense*	96.39	39.88
2	Total Liability at the end of the period	140.90	360.93

*Please note: expense for previous year includes ₹ 4.55 million towards discontinued operations.

IX. Details related to Trust:

Consequent upon the merger of Birlasoft (India) Limited with the Company, the KPIT Technologies Employees Welfare Trust has been transferred to KPIT Engineering Limited (renamed as KPIT Technologies Limited). Hence, the details related to the Trust are not applicable to the Company.

For and on behalf of the Board of Directors

New Delhi
May 20, 2020

Amita Birla
Chairman
DIN: 00837718

Annexure 5

Nomination and Remuneration Policy

OBJECTIVE

The Nomination and Remuneration Committee of Birlasoft Limited (“Company”) will be a Board Committee and shall broadly play the role of:

- Identifying potential candidates for becoming members of the Board and determining the composition of the Board based on the need and requirements of the Company from time to time to bring out diversity in the Board and also identify persons to be recruited in the senior management of the Company and;
- Ensuring the Companies compensation packages and other human resource practices are effective in maintaining a competent workforce and make recommendations relating to compensation of the Managing Director, Whole time Directors and the senior management of the Company from time to time
- Specifying the manner for effective evaluation of the performance of the members of the Board, the Board as a whole and Committees thereof, and review its implementation and compliance.

CONSTITUTION

The Committee shall comprise of at least three Directors, all of whom shall be non-executive directors and at least half shall be Independent Directors, the Chairperson being an Independent Director. The Chairperson of the Company (whether or not a non-executive director) may be a member of the Committee but shall not chair such Committee. The Chairperson of this Committee or in case of his absence, any other person authorised by him shall attend the general meetings of the Company. The Committee may meet, convene and conduct Committee meetings through video conferencing or audio visual means, as may be provided by the Company.

MEANING OF TERMS USED

- “Act” means the Companies Act, 2013 including the rules, schedules, clarifications and guidelines issued by the Ministry of Corporate Affairs from time to time
- “Board” refers to Board of Directors of Birlasoft Limited
- “Company” refers to Birlasoft Limited pursuant to this Policy.
- “Rules” means Companies (Meetings of Board) Rules, 2014 including any modifications or amendments thereof).

- “Senior Management Personnel” shall mean officers/ personnel of the Company who are members of its core management team excluding board of directors and shall comprise all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the Board) as may be decided by the Company from time to time, and shall specifically include company secretary and chief financial officer.

Words and expressions used and not defined in these rules but defined in the Act shall have the same meanings respectively assigned to them in the Act.

ROLE AND RESPONSIBILITIES

The role and responsibility of the Committee shall be to undertake specific duties listed below and it will have the authority to undertake such other specific duties as the Board prescribes from time to time. The below mentioned roles and responsibilities are derived from the terms of reference of the Committee as determined and approved by the Board.

Specific responsibilities of the committee include:

1. Criteria for appointment as a Director

The Committee shall formulate criteria for determining qualifications, skills, expertise, qualities, positive attributes required to be a Director of the Company. The criteria to be formulated will be beneficial to the Company and also take into consideration the qualities and expertise essential for the Company to operate going forward in a changing business environment. The Committee shall develop and recommend to the Board for its approval, criteria to be considered for nomination/appointment of a Director.

2. Identification and nomination of persons who are qualified to be Directors

The Committee shall identify persons who are qualified to become Directors and who satisfy the criteria laid down. The process of identification shall include ascertaining, meeting, screening and reviewing candidates for appointment as Directors, whether Independent, Non-Executive or Executive. The existing Directors who continue to satisfy the criteria may also be considered by the Committee for re-appointment.

The Committee on satisfaction of a potential candidate meeting the criteria and having completed the identification and selection process, will recommend such persons' candidature to the Board for appointment as a Non-Executive Director or Independent Director or Executive Director, as the case may be.

The Committee may recommend the candidates to the Board when:

- Any vacancy in the Board is required to be filled due to retirement or resignation or
- Any vacancy arises out of annual Board performance evaluation or
- Any vacancy arises as a result of end of tenure in accordance with the Act, Rules and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 or
- Any change is required in the Board on account of diversity
- Any change is required by law

3. Approval of criteria, identification of persons and nomination of candidates required for senior management positions

The Committee shall lay down criteria including qualifications, skills, expertise and qualities required for senior management positions like Managing Director & CEO, Chief Financial Officer and Company Secretary and members of the Executive Council of the Company. The Committee shall play a consultative role to Board and make recommendations to the Board regarding the appointments, removal and changes to the senior management positions of the Company.

4. Evaluation of the performance of the Board

The Committee shall determine a process for evaluating the performance of every Director, Committees of the Board and the Board on an annual basis. The Committee shall also review its own performance on an annual basis. The Committee may seek the support and guidance of external experts and agencies for this purpose. The Board/Committee shall evaluate the performance of every Director, Committees of the Board and the Board on an annual basis.

The Board/Committee may evaluate the Directors on following factors, including:

- a) Attendance at Board meetings and Board Committee meetings,
- b) Chairmanship of the Board, and Board Committees,
- c) Contribution and deployment of knowledge and expertise at the Board and Committee meetings,
- d) Guidance and support provided to senior management of the Company outside the Board meetings,
- e) Independence of behaviour and judgment, and
- f) Impact and influence.

Further, pursuant to Regulation 17(10) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the evaluation of the Independent Directors shall be done by the entire Board which shall among other factors, include –

- a) Performance of the Directors,
- b) Fulfilment of the independent criteria as specified in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and their independence from the management.

5. Compensation and evaluate the performance of the Managing Director and/or Whole-time Director and the Executive Director

The Committee shall recommend to the Board the compensation package of the Managing Director, Whole-time Director/s and Executive Director/s in light of their evaluated performance, the short term and long term goals of the Company and overall performance of the Company. The Committee shall also ensure that the compensation packages are in accordance with applicable law, in line with the Company's objectives, shareholders' interests, with industry standards and have an adequate balance between fixed and variable component.

Reimbursement of expenses:

The Directors shall be reimbursed with the expenses in connection with Board and committee meetings.

6. Compensation of Senior Management

The Committee shall evaluate the performance of the senior management of the Company, i.e., the members of the Executive Council of the Company, as presented by the Managing Director & CEO. The Committee shall also provide an overview of the remuneration payable to Key

Managerial Persons as defined under the Act and senior management of the Company. The Committee shall ensure that the remuneration to the Key Managerial Persons and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

7. Payments to the Non-Executive Directors

Commission:

The Committee shall determine the Commission payable to the Non-Executive Directors after taking into account their contribution and participation as chairman/member to the decision making at meetings of the Board/Committees well as providing strategic inputs and supporting highest level of Corporate Governance and Board effectiveness. It shall be within the overall limits fixed by the shareholders of the Company.

Sitting Fees:

The Non-Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act for per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Reimbursement of expenses:

The Non-Executive Directors shall be reimbursed with the expenses in connection with Board and Committee meetings.

8. Provisions for excess remuneration

If any Director draws or receives, directly or indirectly by way of remuneration any such sum in excess of the limits prescribed under the Act or without approval as may be required under the Act, he/she shall refund such sum to the Company within a period of two years or such lesser period as may be specified by the Board, and until such sum is refunded, hold it in trust for the Company.

9. Deviation from The Policy

The Board may, in individual or collective case, deviate from this Policy, in its absolute discretion, if there are particular reasons to do so. In the event of any departure from the Policy, the Board shall record the reasons for such departure in the Board's minutes.

POWERS OF THE COMMITTEE

The Committee shall have inter-alia following powers:

- Conduct studies or authorise studies of issues within the scope of the Committee and will have access to necessary books, records, facilities and personnel of the Company
- Retain or seek advice of consultants and experts for performance of their role under this Policy and the costs relating thereto shall be borne by the Company.
- Delegate its powers or form sub-committees to perform any of its functions or role under this Policy, subject to approval of the Board.

MEETINGS

The Committee shall meet at such frequency as it may deem appropriate. Minutes of the meeting shall be circulated to the Committee. The Committee shall report to the Board regarding its actions and make necessary recommendations to the Board. The Committee shall be governed by the same rules regarding meetings as are applicable to the Board.

MINUTES

The committee will maintain written minutes of its meetings, including formal telephonic meetings, which will be filed with the minutes of the meetings of the Board.

AMENDMENTS TO THE POLICY

The Board of Directors on its own and/or as per the recommendations of the Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

For and on behalf of the Board of Directors

Amita Birla
Chairman
DIN: 00837718

New Delhi
May 20, 2020

Annexure 6

Form No. AOC-2

Disclosure of particulars of contracts/arrangements entered into by Birlasoft Limited (“the Company”) with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 (“the Act”), including certain arm’s length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm’s length basis: NIL
2. Details of material contracts or arrangement or transactions at arm’s length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
(a)	(b)	(c)	(d)	(e)	(f)
1. Birlasoft Solutions Inc. (formerly KPIT Infosystems Incorporated) (Birlasoft US) [Wholly Owned Subsidiary of the Company]	Contract for providing off-shore software development and consultancy services to Birlasoft US .	Contract shall be effective from April 01, 2016 and shall remain valid until terminated by either party by giving 45 days' notice to other party.	- Birlasoft Limited will carry out the software development and consultancy work as per the requirements of Birlasoft US ; - Birlasoft US will pay to Birlasoft Limited 95% of the fees that it is due to Birlasoft US , under its contract with the end customer for provision of such services.	Not required. Contract was entered in to in ordinary course of business and therefore, approval by the Board was not required.	NIL
2. Birlasoft Solutions Limited (formerly KPIT Infosystems Limited) (Birlasoft Solutions UK) [Wholly Owned Subsidiary of the Company]	Contract for providing off-shore software development and consultancy services to Birlasoft Solutions UK .	Contract shall be effective from April 01, 2016 and shall remain valid until terminated by either party by giving 45 days' notice to other party.	- Birlasoft Limited will carry out the software development and consultancy work as per the requirements of Birlasoft Solutions UK ; - Birlasoft Solutions UK will pay to Birlasoft Limited 88% of the fees that it is due to Birlasoft Solutions UK , under its contract with the end customer for provision of such services.	Not required. Contract was entered in to in ordinary course of business and therefore, approval by the Board was not required.	NIL
3. Birlasoft Solutions GmbH (formerly KPIT Solutions GmbH) (HDS) [Wholly Owned Subsidiary of Birlasoft Solutions Limited]	Contract for providing off-shore software development and consultancy services to HDS .	Contract shall be effective from April 01, 2016 and shall remain valid until terminated by either party by giving 45 days' notice to other party.	- Birlasoft Limited will carry out the software development and consultancy work as per the requirements of HDS ; - HDS will pay to Birlasoft Limited 88% of the fees that it is due to HDS , under its contract with the end customer for provision of such services.	Not required. Contract was entered in to in ordinary course of business and therefore, approval by the Board was not required	NIL

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
(a)	(b)	(c)	(d)	(e)	(f)
<p>4. Birlasoft (UK) Limited (Birlasoft UK)</p> <p>[Wholly Owned Subsidiary of Birlasoft Inc.]</p>	Contract for providing off-shore software development and consultancy services to Birlasoft UK .	Contract shall be effective from April 01, 2019 and shall remain valid until terminated by either party by giving 45 days' notice to other party.	<ul style="list-style-type: none"> - Birlasoft Limited will carry out the software development and consultancy work as per the requirements of Birlasoft UK; - Birlasoft UK will pay to Birlasoft Limited 88% of the fees that it is due to Birlasoft UK, under its contract with the end customer for provision of such services. 	<p>Not required.</p> <p>Contract was entered in to in ordinary course of business and therefore, approval by the Board was not required</p>	NIL
<p>5. Birlasoft Consulting Inc. (formerly known as Sparta Consulting Inc.) (Birlasoft Consulting US)</p> <p>[Wholly Owned Subsidiary of Birlasoft Solutions Inc.]</p>	Contract for providing off-shore software development and consultancy services to Birlasoft Consulting US .	Contract shall be effective from April 01, 2016 and shall remain valid until terminated by either party by giving 45 days' notice to other party.	<ul style="list-style-type: none"> - Birlasoft Limited will carry out the software development and consultancy work as per the requirements of Birlasoft Consulting US; - Birlasoft Consulting US will pay to Birlasoft Limited 95% of the fees that it is due to Birlasoft Consulting US, under its contract with the end customer for provision of such services. 	<p>Not required.</p> <p>Contract was entered in to in ordinary course of business and therefore, approval by the Board was not required.</p>	NIL
<p>6. Birlasoft Computer Corporation, USA (formerly Systime Computer Corporation, USA) (SYSTIME US)</p> <p>[Wholly Owned Subsidiary of the Company]</p>	Contract for providing off-shore software development and consultancy services to SYSTIME US .	Contract shall be effective from April 01, 2016 and shall remain valid until terminated by either party by giving 45 days' notice to other party.	<ul style="list-style-type: none"> - Birlasoft Limited will carry out the software development and consultancy work as per the requirements of SYSTIME US; - SYSTIME US will pay to Birlasoft Limited 95% of the fees that it is due to SYSTIME US, under its contract with the end customer for provision of such services. 	<p>Not required.</p> <p>Contract was entered in to in ordinary course of business and therefore, approval by the Board was not required.</p>	NIL

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
(a)	(b)	(c)	(d)	(e)	(f)
7. Birlasoft Inc. [Wholly Owned Subsidiary of the Company]	Contract for providing off-shore software development and consultancy services to Birlasoft Inc.	Contract shall be effective from April 1, 2019 and shall remain valid until terminated by either party by giving 45 days' notice to other party.	<ul style="list-style-type: none"> - Birlasoft Limited will carry out the software development and consultancy work as per the requirements of Birlasoft Inc.; - Birlasoft Inc will pay to Birlasoft Limited 95% of the fees that it is due to Birlasoft Inc., under its contract with the end customer for provision of such services. 	Not required. Contract was entered in to in ordinary course of business and therefore, approval by the Board was not required.	NIL
8. Birlasoft Solutions France (formerly known as KPIT Technologies France) (Birlasoft France) [Wholly Owned Subsidiary of the Company]	Contract for providing off-shore software development and consultancy services to Birlasoft France.	Contract shall be effective from April 01, 2016 and shall remain valid until terminated by either party by giving 30 days' notice to other party.	<ul style="list-style-type: none"> - Birlasoft Limited will carry out the software development and consultancy work as per the requirements of Birlasoft France; - Birlasoft France will pay to Birlasoft Limited 88% of the fees that it is due to Birlasoft France, under its contract with the end customer for provision of such services. 	Not required. Contract was entered in to in ordinary course of business and therefore, approval by the Board was not required	NIL
9. Birlasoft Technologies Canada Corporation (formerly KPIT Technologies Corporation) (Birlasoft Canada) [Wholly Owned Subsidiary of Birlasoft Computer Corporation]	Contract for providing off-shore software development and consultancy services to Birlasoft Canada.	Contract shall be effective from April 01, 2016 and shall remain valid until terminated by either party by giving 30 days' notice to other party.	<ul style="list-style-type: none"> - Birlasoft Limited will carry out the software development and consultancy work as per the requirements of Birlasoft Canada; - Birlasoft Canada will pay to Birlasoft Limited 95% of the fees that it is due to Birlasoft Canada, under its contract with the end customer for provision of such services. 	Not required. Contract was entered in to in ordinary course of business and therefore, approval by the Board was not required	NIL

For and on behalf of the Board of Directors

New Delhi
May 20, 2020

Amita Birla
Chairman
DIN: 00837718

Annexure 7

Annual Report on Corporate Social Responsibility (“CSR”) activities

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR Policy and projects or programs:

The Company has a strong social commitment to the community around it. This commitment is both fulfilled by employee participation and financial contribution. The Company seek to focus on a few areas of social initiatives, where it believes, through technology, the speed of innovation and employee participation, it can add significant value to the community world-wide. The CSR Policy as approved by the Board is available on the Company's website and can be accessed through the web link <https://www.birlasoft.com/company/investors/policies-reports-filings>.

During the year, the Company has undertaken following projects/initiatives:

- a) Project Disha;
- b) Project E-vidya;
- c) Project Shodhan;
- d) Daan Utsav;
- e) Joy of Giving;
- f) COVID-19 Relief;
- g) I- Pledge; and
- h) Health Care.

2. The composition of the CSR Committee: The Committee consists of three members, including two Independent Directors as below:

Sr. No.	Name of the Committee Member	Nature of Directorship in the Company
1	Mrs. Amita Birla (Chairman)	Non-Executive Director
2	Ms. Nandita Gurjar (Member)	Independent Director
3	Mr. Anant Talaucar (Member)	Independent Director

3. Average net profit of the Company for the last three financial years: ₹ 2,057,237,816/-
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹ 41,144,756/-
5. Details of CSR spent during the financial year:
 - a) Total amount to be spent in the financial year: ₹ 41,905,143/-
 - b) Amount unspent, if any: N.A.

c) Manner in which the amount spent during the financial year is detailed below:

(Amount in ₹)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads: 1. Direct expenditure on projects or programs. 2. Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1		Women and child development	Noida	5,148,715	5,148,715	5,148,715	Through Implementation partner: YFS
2	Disha	Women and child development	Pune	1,069,296	1,069,296	1,069,296	Through Implementation partner: Seva Sahyog
3	Healthcare	Women and child development	Kolkata	8,200,000	8,200,000	8,200,000	Through Implementation partner: CMRI (The Calcutta Medical Research Institute)
4	I-Pledge	Women and child development	Noida	70,000	70,000	70,000	Through Implementation partner: FICCI
5	Joy of Giving	Women and child development	Noida	250,000	250,000	250,000	Through Implementation partner: Sense India
6	Shodhan	Environmental Sustainability	Noida	10,999,968	10,999,968	10,999,968	Through Implementation partner: CII foundation
7	COVID-19 Relief Fund	Disaster Management	Noida	15,000,000	15,000,000	15,000,000	Through Implementation partner: PM Care Fund
8	Administrative expenses	On capacity building	All locations	1,167,164	1,167,164	1,167,164	Direct
	Total			41,905,143	41,905,143	41,905,143	

6. We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of the CSR projects and activities in compliance with our CSR objectives and CSR Policy.

For and on behalf of the Board of Directors

Amita Birla
Chairman of CSR Committee
 DIN: 00837718
 New Delhi

Dharmander Kapoor
CEO & Managing Director
 DIN: 08443715
 Faridabad

May 20, 2020

Annexure 8

Form No. MGT-9

Extract of Annual Return

as on the financial year ended on March 31, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN:	L72200PN1990PLC059594
ii)	Registration date:	December 28, 1990
iii)	Name of the Company:	Birlasoft Limited
iv)	Category/Sub-Category of the Company:	Public Company/Limited by shares
v)	Address of the Registered Office and contact details:	35 & 36, Rajiv Gandhi Infotech Park, Phase – I, MIDC, Hinjawadi, Pune – 411057, Maharashtra, India. Telephone: +91-20-66525000 Fax: +91-20-66525001
vi)	Whether listed company:	Yes
vii)	Name, Address and contact details of Registrar & Transfer Agent, if any:	Link Intime India Private Limited Block No. 202, 2 nd Floor, Akshay Complex, Off Dhole Patil Road, Pune – 411001. Telephone: +91-20-26160084/26161629 Fax: +91-20-26163503

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name and description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1	Computer programming, consultancy and related activities	62011	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the company	CIN/GLN	Holding/Subsidiary/ Associate	% of the shares held	Applicable Section
1	Birlasoft Solutions Limited [formerly KPIT Infosystems Limited (UK)] 400 Thames Valley Park Drive, Thames Valley Park Reading Berkshire Reading, RG6 1PT, United Kingdom.	N.A.	Subsidiary	100	2(87)(ii)
2	Birlasoft Solutions France (formerly KPIT Technologies France) 19, boulevard Malesherbes 75008 Paris, France.	N.A.	Subsidiary	100	2(87)(ii)

Sr. No.	Name and address of the company	CIN/GLN	Holding/Subsidiary/ Associate	% of the shares held	Applicable Section
3	Birlasoft Solutions Inc. (formerly KPIT Infosystems Incorporated) 399, Thornall Street, 8 th Floor, Edison, New Jersey – 08837, USA.	N.A.	Subsidiary	100	2(87)(ii)
4	Birlasoft Inc. 399, Thornall Street, 8 th Floor, Edison, New Jersey – 08837, USA.	N.A.	Subsidiary	100	2(87)(ii)
5	Birlasoft Computer Corporation (formerly Systeime Computer Corporation) 399, Thornall Street, 8 th Floor, Edison, New Jersey – 08837, USA.	N.A.	Subsidiary	100	2(87)(ii)
6	Birlasoft Sdn. Bhd. Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South No. 8, Jalan Kerinchi 59200 Kuala Lumpur, Malaysia.	N.A.	Subsidiary	100	2(87)(ii)
7	Birlasoft Solutions ME FZE (formerly KPIT Infosystems ME FZE) Dubai Airport Free Zone Area, West Wing 2, Office 2W113, P.O. Box: 54931, Dubai, UAE.	N.A.	Subsidiary	100	2(87)(ii)
8	Birlasoft (UK) Limited 4 th Floor, 53-54, Grosvenor Street, London – W1K 3HU, UK.	N.A.	Step-down subsidiary (Subsidiary of Birlasoft Inc.)	100	2(87)(ii)
9	Birlasoft Solutions GmbH (formerly KPIT Solutions GmbH) Detmolder Straße 235, 33605, Bielefeld, Germany.	N.A.	Step-down subsidiary (Subsidiary of Birlasoft Solutions Limited)	100	2(87)(ii)
10	Birlasoft GmbH Kapellenstrabe 47, 65830 Kriftel, Germany.	N.A.	Step-down subsidiary [Subsidiary of Birlasoft (UK) Limited]	100	2(87)(ii)
11	Enablepath LLC 399, Thornall Street, 8 th Floor, Edison, New Jersey – 08837, USA.	N.A.	Step-down subsidiary (Subsidiary of Birlasoft Inc.)	100	2(87)(ii)
12	Birlasoft Technologies Canada Corporation (formerly KPIT Technologies Corporation) 8120-128 Street, Surrey BC V3W 1R1, Canada.	N.A.	Step-down subsidiary (Subsidiary of Birlasoft Computer Corporation)	100	2(87)(ii)
13	Birlasoft Solutions Ltda. (formerly KPIT Technologies Soluções em Informática Ltda.) Alameda Santos, 1165 – 10 ^a andar – Cerqueira Cesar 01419-002 – São Paulo/SP, Brasil.	N.A.	Step-down subsidiary (Subsidiary of Birlasoft Solutions Inc.)	100	2(87)(ii)
14	Birlasoft Consulting Inc. (formerly Sparta Consulting Inc.) 111, Woodmere Road, Suite 200, Folsom, California – 95630, USA.	N.A.	Step-down subsidiary (Subsidiary of Birlasoft Solutions Inc.)	100	2(87)(ii)
15	Birlasoft Solutions Mexico S.A. DE C.V. (formerly KPIT Infosystems Mexico S.A. DE C.V.) Rio Duero 31, Col. Cuauhtémoc Alcaldía Cuauhtémoc Ciudad de México, CP 06500, México.	N.A.	Step-down subsidiary (Subsidiary of Birlasoft Solutions Inc.)	100	2(87)(ii)

IV. SHARE HOLDING PATTERN

i) Category-wise shareholding

Sr. No.	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A	PROMOTERS									
(1)	INDIAN									
a	Individual/HUF	5,640,430	-	5,640,430	2.06	5,336,300	-	5,336,300	1.93	(0.13)
b	Central Government	-	-	-	-	-	-	-	-	-
c	State Government(s)	-	-	-	-	-	-	-	-	-
d	Bodies Corporate	107,265,355	-	107,265,355	39.13	107,569,485	-	107,569,485	38.87	(0.25)
e	Bank & FII	-	-	-	-	-	-	-	-	-
f	Any Other	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(1)	112,905,785	-	112,905,785	41.18	112,905,785	-	112,905,785	40.80	(0.38)
(2)	FOREIGN									
a	NRIs – Individuals	40,000	-	40,000	0.01	40,000	-	40,000	0.01	-
b	Other – Individuals	-	-	-	-	-	-	-	-	-
c	Bodies Corporate	-	-	-	-	-	-	-	-	-
d	Banks & FII	-	-	-	-	-	-	-	-	-
e	Any Other	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	40,000	-	40,000	0.01	40,000	-	40,000	0.01	-
	TOTAL SHAREHOLDING OF PROMOTERS (A) = (A)(1) + (A)(2)	112,945,785	-	112,945,785	41.20	112,945,785	-	112,945,785	40.82	(0.38)
B	PUBLIC SHAREHOLDING									
(1)	Institutions									
a	Mutual Funds	9,540,426	-	9,540,426	3.48	16,271,910	-	16,271,910	5.88	2.40
b	Banks/FI	182,065	-	182,065	0.07	150,130	-	150,130	0.05	(0.02)
c	Central Government	-	-	-	-	-	-	-	-	-
d	State Government(s)	-	-	-	-	-	-	-	-	-
e	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f	Insurance Companies	261,212	-	261,212	0.10	1,899,939	-	1,899,939	0.69	0.59
g	FII's	-	-	-	-	-	-	-	-	-
h	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i	Others									
(i)	Foreign Portfolio Investor (Corporate)	92,724,937	-	92,724,937	33.82	74,976,218	-	74,976,218	27.10	(6.72)
(ii)	Foreign Mutual Funds	-	-	-	-	-	-	-	-	-

Sr. No.	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(iii)	Alternate Investment Funds	386,464	-	386,464	0.14	3,076,137	-	3,076,137	1.11	0.97
	Sub-Total (B)(1)	103,095,104	-	103,095,104	37.61	96,374,334	-	96,374,334	34.83	(2.78)
(2)	Non-Institutions									
a	Bodies Corporate									
i	Indian	9,869,394	3,000	9,872,394	3.60	4,168,794	2,000	4,170,794	1.51	(2.09)
ii	Overseas	-	-	-	-	-	-	-	-	-
b	Individuals									
i	Individual Shareholders holding nominal share capital upto ₹ 1 lakh	21,268,760	361,235	21,629,995	7.89	21,488,522	318,735	21,807,257	7.88	(0.01)
ii	Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	10,855,680	90,000	10,945,680	3.99	29,375,553	90,000	29,465,553	10.65	6.66
c	NBFCs registered with RBI	5,003,220	-	5,003,220	1.83	5,000,300	-	5,000,300	1.81	(0.02)
d	Others									
i	Clearing Members	726,196	-	726,196	0.26	425,611	-	425,611	0.15	(0.11)
ii	Market Makers	23,739	-	23,739	0.01	-	-	-	0.00	(0.01)
iii	Non-Resident Indians	2,784,622	-	2,784,622	1.02	3,369,759	-	3,369,759	1.22	0.20
iv	Friends & Associates	88,920	432,000	520,920	0.19	83,920	432,000	515,920	0.19	-
v	Foreign Nationals	149,491	-	149,491	0.05	147,070	-	147,070	0.05	-
vi	Hindu Undivided Families	615,976	-	615,976	0.22	884,065	-	884,065	0.32	0.09
vii	IEPF	175,113	-	175,113	0.06	195,295	-	195,295	0.07	0.01
viii	Trusts	14,200	-	14,200	0.01	9,984	-	9,984	0.00	(0.01)
	Sub-Total (B)(2)	51,575,311	886,235	52,461,546	19.14	65,148,873	842,735	65,991,608	23.85	4.71
	Total Public Shareholding (B) = (B)(1) + (B)(2)	154,670,415	886,235	155,556,650	56.74	161,523,207	842,735	162,365,942	58.68	1.94
C	SHARES HELD BY CUSTODIAN FOR ADRs AND GDRs	-	-	-	-	-	-	-	-	-
D	NON PROMOTER-NON PUBLIC (KPIT TECHNOLOGIES EMPLOYEES WELFARE TRUST)	5,641,373	-	5,641,373	2.06	1,396,850	-	1,396,850	0.50	(1.56)
	GRAND TOTAL (A+B+C+D)	273,257,573	886,235	274,143,808	100	275,865,842	842,735	276,708,577	100	-

Note: The percentage is calculated on the basis of paid-up capital at the beginning of the year & at the end of the year.

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year				Shareholding at the end of the year				% change in shareholding during the year
		No. of shares	% of total shares of the Company	No. of shares pledged	% of shares pledged/encumbered to total Shares	No. of shares	% of total shares of the Company	No. of shares pledged	% of shares pledged/encumbered to total Shares	
1	National Engineering Industries Limited	86,663,985	31.61	32,000,000	11.67	100,371,174	36.27	-	-	4.66
2	Central India Industries Limited	5,169,511	1.89	-	-	5,169,511	1.87	-	-	(0.02)
3	Mr. S. B. (Ravi) Pandit	430,500	0.16	-	-	430,500	0.16	-	-	-
4	Ms. Nirmala Pandit	239,000	0.09	-	-	239,000	0.09	-	-	-
5	Mr. Chinmay Pandit	38,620	0.01	-	-	38,620	0.01	-	-	-
6	Mr. Kishor Patil	189,080	0.07	-	-	7,280	0.00	-	-	(0.07)
7	Ms. Anupama Patil	122,330	0.04	-	-	0	0.00	-	-	(0.04)
8	Mr. Shrikrishna Patwardhan	1,100,000	0.40	-	-	1,100,000	0.40	-	-	-
9	Mr. Ajay Bhagwat	2,636,800	0.96	-	-	2,636,800	0.95	-	-	(0.01)
10	Ms. Ashwini Bhagwat jointly held with Mr. Ajay Bhagwat	43,300	0.02	-	-	43,300	0.02	-	-	-
11	Mr. Sachin Tikekar	840,800	0.31	-	-	840,800	0.30	-	-	(0.01)
12	Proficient Finstock LLP	15,130,949	5.52	24,000	0.01	1,727,890	0.62	-	-	(4.89)
13	K and P Management Services Private Limited	300,910	0.11	-	-	300,910	0.11	-	-	-
14	Ms. Hemlata Shende	40,000	0.01	-	-	40,000	0.01	-	-	-
Total		112,945,785	41.20	32,024,000	11.68	112,945,785	40.82	-	-	(0.38)

Note: The percentage is calculated on the basis of paid-up capital at the beginning of the year & at the end of the year.

iii) Change in Promoters' Shareholding

Sr. No.	For each of the Promoters	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	National Engineering Industries Limited				
	At the beginning of the year	86,663,985	31.61	86,663,985	31.61
	Increase/Decrease during the year				
	Inter-se transfer between Promoters on June 27, 2019	13,707,189	5.00	100,371,174	36.27
	At the end of the year			100,371,174	36.27
2	Central India Industries Limited				
	At the beginning of the year	5,169,511	1.89	5,169,511	1.87
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			5,169,511	1.87
3	Mr. S. B. (Ravi) Pandit				
	At the beginning of the year	430,500	0.16	430,500	0.16
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			430,500	0.16
4	Ms. Nirmala Pandit				
	At the beginning of the year	239,000	0.09	239,000	0.09
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			239,000	0.09
5	Mr. Chinmay Pandit				
	At the beginning of the year	38,620	0.01	38,620	0.01
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			38,620	0.01
6	Mr. Kishor Patil				
	At the beginning of the year	189,080	0.07	189,080	0.07
	Increase/Decrease during the year				
	Inter-se transfer between Promoters on June 27, 2019	(181,800)	(0.07)	7,280	0.00
	At the end of the year			7,280	0.00
7	Ms. Anupama Patil				
	At the beginning of the year	122,330	0.04	122,330	0.04
	Increase/Decrease during the year				
	Inter-se transfer between Promoters on June 27, 2019	(122,330)	(0.04)	-	-
	At the end of the year			-	-

Sr. No.	For each of the Promoters	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
8	Mr. Shrikrishna Patwardhan				
	At the beginning of the year	1,100,000	0.40	1,100,000	0.40
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			1,100,000	0.40
9	Mr. Ajay Bhagwat				
	At the beginning of the year	2,636,800	0.96	2,636,800	0.95
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			2,636,800	0.95
10	Ms. Ashwini Bhagwat jointly held with Mr. Ajay Bhagwat				
	At the beginning of the year	43,300	0.02	43,300	0.02
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			43,300	0.02
11	Mr. Sachin Tikekar				
	At the beginning of the year	840,800	0.31	840,800	0.30
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			840,800	0.30
12	Proficient Finstock LLP				
	At the beginning of the year	15,130,949	5.52	15,130,949	5.52
	Increase/Decrease during the year				
	Inter-se transfer between Promoters on June 27, 2019	(13,403,059)	(4.90)	1,727,890	0.62
	At the end of the year			1,727,890	0.62
13	K and P Management Services Private Limited				
	At the beginning of the year	300,910	0.11	300,910	0.11
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			300,910	0.11
14	Ms. Hemlata Shende				
	At the beginning of the year	40,000	0.01	40,000	0.01
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			40,000	0.01

Note: The percentage is calculated on the basis of paid-up capital at the beginning of the year & at the end of the year.

iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	IDFC Sterling Value Fund				
	At the beginning of the year	7,204,476	2.63	7,204,476	2.60
	Increase/Decrease during the year				
	Transfer on April 5, 2019	585,780	0.21	7,790,256	2.82
	Transfer on April 12, 2019	115,204	0.04	7,905,460	2.86
	Transfer on April 19, 2019	50,000	0.02	7,955,460	2.88
	Transfer on April 26, 2019	100,000	0.04	8,055,460	2.91
	Transfer on May 3, 2019	115,500	0.04	8,170,960	2.95
	Transfer on May 10, 2019	285,250	0.10	8,456,210	3.06
	Transfer on May 17, 2019	125,000	0.05	8,581,210	3.10
	Transfer on May 24, 2019	172,500	0.06	8,753,710	3.16
	Transfer on May 31, 2019	4,500	0.00	8,758,210	3.17
	Transfer on June 14, 2019	70,250	0.03	8,828,460	3.19
	Transfer on June 29, 2019	50,750	0.02	8,879,210	3.21
	Transfer on July 5, 2019	2,700	0.00	8,881,910	3.21
	Transfer on July 12, 2019	50,000	0.02	8,931,910	3.23
	Transfer on July 19, 2019	342,800	0.13	9,274,710	3.35
	Transfer on July 26, 2019	(16,300)	(0.01)	9,258,410	3.35
	Transfer on August 2, 2019	(19,900)	(0.01)	9,238,510	3.34
	Transfer on August 9, 2019	80,600	0.03	9,319,110	3.37
	Transfer on August 16, 2019	375,500	0.14	9,694,610	3.50
	Transfer on August 30, 2019	5,100	0.00	9,699,710	3.51
	Transfer on September 6, 2019	238,865	0.09	9,938,575	3.59
	Transfer on September 13, 2019	81,535	0.03	10,020,110	3.62
	Transfer on September 20, 2019	86,400	0.03	10,106,510	3.65
	Transfer on September 27, 2019	(101,757)	(0.04)	10,004,753	3.62
	Transfer on October 4, 2019	50,000	0.02	10,054,753	3.63
	Transfer on October 11, 2019	250,000	0.09	10,304,753	3.72
	Transfer on October 18, 2019	125,000	0.05	10,429,753	3.77
	Transfer on October 25, 2019	25,000	0.01	10,454,753	3.78
	Transfer on November 1, 2019	150,000	0.05	10,604,753	3.83
	Transfer on November 8, 2019	20,000	0.01	10,624,753	3.84
	Transfer on November 15, 2019	30,000	0.01	10,654,753	3.85
	Transfer on November 22, 2019	(319,000)	(0.12)	10,335,753	3.74
	Transfer on January 17, 2020	40,000	0.01	10,375,753	3.75

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Transfer on January 24, 2020	110,000	0.04	10,485,753	3.79
	Transfer on January 31, 2020	80,000	0.03	10,565,753	3.82
	Transfer on February 7, 2020	(543,952)	(0.20)	10,021,801	3.62
	Transfer on February 21, 2020	(86,048)	(0.03)	9,935,753	3.59
	Transfer on February 28, 2020	59,843	0.02	9,995,596	3.61
	Transfer on March 6, 2020	49,283	0.02	10,044,879	3.63
	Transfer on March 20, 2020	52,374	0.02	10,097,253	3.65
	At the end of the year			10,097,253	3.65
2	Ashish Dhawan*				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year				
	Transfer on May 24, 2019	793,228	0.29	793,228	0.29
	Transfer on May 31, 2019	152,986	0.06	946,214	0.34
	Transfer on June 7, 2019	750,816	0.27	1,697,030	0.61
	Transfer on June 14, 2019	300,000	0.11	1,997,030	0.72
	Transfer on June 21, 2019	500,000	0.18	2,497,030	0.90
	Transfer on July 5, 2019	300,000	0.11	2,797,030	1.01
	Transfer on August 2, 2019	1,099,990	0.40	3,897,020	1.41
	Transfer on August 9, 2019	2,766,405	1.01	6,663,425	2.41
	Transfer on August 23, 2019	500,000	0.18	7,163,425	2.59
	Transfer on August 30, 2019	400,000	0.15	7,563,425	2.73
	Transfer on December 20, 2019	1,300,000	0.47	8,863,425	3.20
	Transfer on December 27, 2019	435,357	0.16	9,298,782	3.36
	Transfer on December 31, 2019	201,218	0.07	9,500,000	3.43
	Transfer on January 3, 2020	102,977	0.04	9,602,977	3.47
	Transfer on January 10, 2020	397,023	0.14	10,000,000	3.61
	At the end of the year			10,000,000	3.61
3	Ellipsis Partners LLC*				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year				
	Transfer on May 3, 2019	148,203	0.05	148,203	0.05
	Transfer on May 10, 2019	729,826	0.27	878,029	0.32
	Transfer on May 17, 2019	1,181,990	0.43	2,060,019	0.74
	Transfer on July 12, 2019	200,000	0.07	2,260,019	0.82
	Transfer on July 19, 2019	1,272,569	0.46	3,532,588	1.28
	Transfer on July 26, 2019	739,822	0.27	4,272,410	1.54
	Transfer on August 16, 2019	899,722	0.33	5,172,132	1.87

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Transfer on August 23, 2019	97,631	0.04	5,269,763	1.90
	Transfer on November 15, 2019	230,082	0.08	5,499,845	1.99
	Transfer on November 22, 2019	236,006	0.09	5,735,851	2.07
	Transfer on December 6, 2019	516,541	0.19	6,252,392	2.26
	Transfer on December 13, 2019	747,608	0.27	7,000,000	2.53
	Transfer on March 27, 2020	28,230	0.01	7,028,230	2.54
	At the end of the year			7,028,230	2.54
4	Ashish Kacholia				
	At the beginning of the year	4,999,879	1.82	4,999,879	1.81
	Increase/Decrease during the year				
	Transfer on August 30, 2019	19,245	0.01	5,019,124	1.81
	Transfer on September 6, 2019	266,119	0.10	5,285,243	1.91
	Transfer on September 13, 2019	28,508	0.01	5,313,751	1.92
	Transfer on September 27, 2019	89,204	0.03	5,402,955	1.95
	Transfer on September 30, 2019	96,924	0.04	5,499,879	1.99
	Transfer on February 7, 2020	724,000	0.26	6,223,879	2.25
	Transfer on February 14, 2020	276,000	0.10	6,499,879	2.35
	At the end of the year			6,499,879	2.35
5	L and T Mutual Fund Trustee Ltd.-L and T Mid Cap Fund				
	At the beginning of the year	226,200	0.08	226,200	0.08
	Increase/Decrease during the year				
	Transfer on July 26, 2019	653,393	0.24	879,593	0.32
	Transfer on August 2, 2019	2,573,673	0.94	3,453,266	1.25
	Transfer on August 9, 2019	1,475,144	0.54	4,928,410	1.78
	Transfer on August 16, 2019	102,690	0.04	5,031,100	1.82
	Transfer on February 7, 2020	755,500	0.28	5,786,600	2.09
	Transfer on March 6, 2020	318,400	0.12	6,105,000	2.21
	At the end of the year			6,105,000	2.21
6	Bengal Finance & Investment Private Limited				
	At the beginning of the year	5,000,000	1.82	5,000,000	1.81
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			5,000,000	1.81
7	New Horizon Opportunities Master Fund				
	At the beginning of the year	4,999,000	1.82	4,999,000	1.81
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			4,999,000	1.81

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
8	Acacia Partners, LP				
	At the beginning of the year	4,800,000	1.75	4,800,000	1.73
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			4,800,000	1.73
9	Acacia Institutional Partners, LP				
	At the beginning of the year	4,597,575	1.68	4,597,575	1.66
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			4,597,575	1.66
10	Acacia Conservation Fund LP				
	At the beginning of the year	3,430,056	1.25	3,430,056	1.24
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			3,430,056	1.24
11	KPIT Technologies Employees Welfare Trust[#]				
	At the beginning of the year	5,641,373	2.06	5,641,373	2.04
	Increase/Decrease during the year				
	Transfer on June 7, 2019	(100,000)	(0.04)	5,541,373	2.00
	Transfer on June 21, 2019	(7,830)	(0.00)	5,533,543	2.00
	Transfer on October 25, 2019	(25,900)	(0.01)	5,507,643	1.99
	Transfer on November 8, 2019	(29,600)	(0.01)	5,478,043	1.98
	Transfer on November 22, 2019	(63,665)	(0.02)	5,414,378	1.96
	Transfer on November 29, 2019	(18,055)	(0.01)	5,396,323	1.95
	Transfer on December 13, 2019	(90,400)	(0.03)	5,305,923	1.92
	Transfer on December 27, 2019	(16,400)	(0.01)	5,289,523	1.91
	Transfer on December 31, 2019	(92,736)	(0.03)	5,196,787	1.88
	Transfer on January 3, 2020	(38,000)	(0.01)	5,158,787	1.86
	Transfer on January 10, 2020	(50,000)	(0.02)	5,108,787	1.85
	Transfer on January 17, 2020	(244,276)	(0.09)	4,864,511	1.76
	Transfer on January 24, 2020	(43,103)	(0.02)	4,821,408	1.74
	Transfer on January 31, 2020	(206,400)	(0.08)	4,615,008	1.67
	Transfer on February 7, 2020	(2,608,498)	(0.95)	2,006,510	0.73
	Transfer on February 14, 2020	(473,460)	(0.17)	1,533,050	0.55
	Transfer on February 21, 2020	(99,000)	(0.04)	1,434,050	0.52
	Transfer on March 6, 2020	(17,200)	(0.01)	1,416,850	0.51
	Transfer on March 13, 2020	(20,000)	(0.01)	1,396,850	0.50
	At the end of the year			1,396,850	0.50

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
12	Union Investment Luxembourg S.A. A/C Quoniam Funds Selection Sicav - Emerging Markets Equities Minrisk[#]				
	At the beginning of the year	2,970,051	1.08	2,970,051	1.07
	Increase/Decrease during the year				
	Transfer on January 17, 2020	(554,158)	(0.20)	2,415,893	0.87
	Transfer on January 24, 2020	(863,282)	(0.31)	1,552,611	0.56
	Transfer on January 31, 2020	(298,879)	(0.11)	1,253,732	0.45
	Transfer on February 7, 2020	(243,527)	(0.09)	1,010,205	0.37
	At the end of the year			1,010,205	0.37
13	ICICI Prudential Life Insurance Company Limited[#]				
	At the beginning of the year	3,307,950	1.21	3,307,950	1.20
	Increase/Decrease during the year				
	Transfer on June 21, 2019	(6,534)	(0.00)	3,301,416	1.19
	Transfer on June 29, 2019	(382)	(0.00)	3,301,034	1.19
	Transfer on July 5, 2019	(195)	(0.00)	3,300,839	1.19
	Transfer on July 12, 2019	(111)	(0.00)	3,300,728	1.19
	Transfer on July 19, 2019	(70,502)	(0.03)	3,230,226	1.17
	Transfer on July 26, 2019	(100,000)	(0.04)	3,130,226	1.13
	Transfer on August 2, 2019	(200,000)	(0.07)	2,930,226	1.06
	Transfer on August 9, 2019	(1,093,774)	(0.40)	1,836,452	0.66
	Transfer on August 16, 2019	(100,000)	(0.04)	1,736,452	0.63
	Transfer on August 30, 2019	(214,553)	(0.08)	1,521,899	0.55
	Transfer on September 27, 2019	(200,000)	(0.07)	1,321,899	0.48
	Transfer on December 6, 2019	(112,381)	(0.04)	1,209,518	0.44
	Transfer on December 13, 2019	(57,517)	(0.02)	1,152,001	0.42
	Transfer on December 20, 2019	(546,445)	(0.20)	605,556	0.22
	Transfer on December 27, 2019	(518,279)	(0.19)	87,277	0.03
	Transfer on January 3, 2020	(87,277)	(0.03)	0	0.00
	At the end of the year			-	-

[#]Ceased to be in the list of Top 10 shareholders as on March 31, 2020. The same is reflected above since the shareholder was one of the Top 10 shareholders as on April 1, 2019.

*Not in the list of Top 10 shareholders as on April 1, 2019. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on March 31, 2020.

Notes:

- Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.
- The percentage is calculated on the basis of paid-up capital at the beginning of the year & at the end of the year.
- The above information is based on the weekly beneficiary position received from depositories.

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Anjan Lahiri[#]				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year				
	Allotment on June 18, 2019	530,322	0.19	530,322	0.19
	Allotment on August 7, 2019	1,237,420	0.45	1,767,742	0.45
	Transfer on February 14, 2020	(1,767,742)	(0.64)	-	-
	At the end of the year			-	-
2	Mr. Pawan Sharma[#]				
	At the beginning of the year	531,929	0.19	531,929	0.19
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			531,929	0.19
3	Mr. Dharmander Kapoor[*]				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year				
	Allotment on August 7, 2019	303,041	0.11	303,041	0.11
	At the end of the year			303,041	0.11
4	Mr. Sachin Tikekar^{##}				
	At the beginning of the year	840,800	0.31	840,800	0.30
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			840,800	0.30
5	Ms. Sneha Padve (Key Managerial Personnel - Company Secretary)				
	At the beginning of the year	60	0.00	60	0.00
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			60	0.00

[#]Mr. Anjan Lahiri and Mr. Pawan Sharma ceased to be Managing Director & CEO and Whole-time Director of the Company, respectively, w.e.f. June 1, 2019.

^{*}Mr. Dharmander Kapoor was appointed as CEO & Managing Director of the Company, w.e.f. June 1, 2019.

^{##}Mr. Sachin Tikekar was appointed as a Nominee Director from June 1, 2019 to January 31, 2020.

Note: The percentage is calculated on the basis of paid-up capital at the beginning of the year & at the end of the year.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment is as follows:

(Amount in ₹ million)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	380.33	-	-	380.33
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.80	-	-	0.80
Total (i+ ii +iii)	381.12	-	-	381.12
Change in Indebtedness during the financial year[#]				
• Addition	-	-	-	-
• Reduction	381.12	-	-	381.12
Net Change	(381.12)	-	-	(381.12)
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	-	-	-

[#]Change in Indebtedness during the financial year is considered on net basis.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in ₹ million)

Sr. No.	Particulars of Remuneration*	Name of MD/WTD/Manager			Total
		Mr. Anjan Lahiri [#]	Mr. Pawan Sharma [#]	Mr. Dharamander Kapoor ^{**}	
1	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	9.62	6.95	31.86	48.43
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961 ^{##}	163.09	-	21.91	185.00
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-

Sr. No.	Particulars of Remuneration*	Name of MD/WTD/Manager			Total
		Mr. Anjan Lahiri#	Mr. Pawan Sharma#	Mr. Dharmander Kapoor**	
4	Commission				
	- as % of profit	-	-	-	-
	- others	-	-	-	-
5	Others	-	-	-	-
	Total (A)	172.71	6.95	53.77	233.43
	Ceiling as per the Act	250.81 (being 10% of net profit of the Company calculated as per Section 198 of the Companies Act, 2013)			

*Remuneration figures reported are as per the provisions of the Income Tax Act, 1961, as required by the prescribed format and therefore, may differ from the remuneration figures reported under the provisions of the Companies Act, 2013, elsewhere in this Annual Report.

#Mr. Anjan Lahiri and Mr. Pawan Sharma ceased to be Managing Director & CEO and Whole-time Director of the Company, respectively, w.e.f. June 1, 2019.

**Mr. Dharmander Kapoor is appointed as the CEO & Managing Director of the Company, w.e.f. June 1, 2019.

##In accordance with the definition of perquisites under the Income Tax Act, 1961, the remuneration includes the value of stock incentives only on those shares that have been exercised during the period. Accordingly, the value of stock incentives granted during the period is not included.

B. Remuneration to other Directors:

(Amount in ₹ million)

Sr. No.	Particulars of Remuneration	Name of Directors						Total
		Mr. Anant Talaulicar	Ms. Alka Bharucha	Mr. Ashok Kumar Barat	Ms. Nandita Gurjar	Mr. Prasad Thrikutam	Mr. Sachin Tikekar*	
1	Independent Directors							
	• Fee for attending Board/Committee meetings	1.35	0.40	1.10	1.60	1.15	0.50	6.10
	• Commission	2.50	2.00	3.00	2.00	5.00	-	14.50
	• Others	-	-	-	-	-	-	-
	Total (1)	3.85	2.40	4.10	3.60	6.15	0.50	20.60

*Mr. Sachin Tikekar was appointed as a Nominee Director from June 1, 2019 to January 31, 2020.

Sr. No.	Particulars of Remuneration	Names of Directors		Total
		Mr. Chandrakant Birla	Mrs. Amita Birla	
2	Other Non-Executive Directors			
	• Fee for attending Board/Committee meetings	0.50	0.90	1.40
	• Commission	2.00	5.00	7.00
	• Others	-	-	-
	Total (2)	2.50	5.90	8.40
	Total (B) = (1+2)			29.00
	Total Managerial Remuneration			262.43
	Overall Ceiling as per the Act	275.89 (being 11% of net profit of the Company calculated as per Section 198 of the Companies Act, 2013)		

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(Amount in ₹ million)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		Mr. Anjan Lahiri*	Mr. Dharmander Kapoor#	Ms. Sneha Padve – Company Secretary	Mr. Rajeev Gupta**	
1	Gross Salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	9.62	31.86	6.03	24.93	72.44
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961##	163.09	21.91	-	-	185.00
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- others	-	-	-	-	-
5.	Others	-	-	-	-	-
	Total	172.71	53.77	6.03	24.93	257.44
	Ceiling as per the Act	250.81 (being 10% of net profit of the Company calculated as per Section 198 of the Companies Act, 2013)				

*Mr. Anjan Lahiri ceased to be Managing Director & CEO w.e.f. June 1, 2019.

#Mr. Dharmander Kapoor is appointed as the CEO & Managing Director of the Company, w.e.f. June 1, 2019.

**Mr. Rajeev Gupta ceased to be the Chief Financial Officer of the Company w.e.f. April 1, 2020.

##In accordance with the definition of perquisites under the Income Tax Act, 1961, the remuneration includes the value of stock incentives only on those shares that have been exercised during the period. Accordingly, the value of stock incentives granted during the period is not included.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

For and on behalf of the Board of Directors

New Delhi
May 20, 2020

Amita Birla
Chairman
DIN: 00837718

Annexure 9

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014

Conservation of Energy

- Steps taken or impact on conservation of energy: This year, 1,300 T5 lamps have been replaced with LED lamps which has potential to reduce 93,000 units/annum.
- Steps taken by the Company for utilizing alternate sources of energy: Birlasoft has continued to use the natural resources such as solar plant which generates 2 Lakhs units per annum.

We have also continued with all the measures and systems which were implemented previously.

- Capital investment on energy conservation equipment: No major capital investment made in this financial year except the procurement of 1,800 LED lamps.

Green Initiatives

The implementation of smart commute (automation of Cab transportation) has continued to help in reducing diesel consumption, paper consumption, etc.

Occupational Health and Safety Assessment Series (OHSAS)

Insurance Policies:

At Birlasoft, to ensure the health and fitness of the employees, we have implemented three Insurance policies viz. Group Medclaim Insurance Policy (GMC), Group Personal Accident Policy (GPA) and Group Term Life Insurance Policy (GTL) and it is mandatory for all the employees to get covered under all these policies. The GMC provides the insurance coverage/facility to the employees and their families, under the event of hospitalization due to any disease or IPD treatment. The GPA provides the insurance coverage to all the employees, in case of an accident during or after working hours. Similarly, GTL provides the insurance coverage to the employees, in case of deaths which are natural, accidental, suicidal, etc.

Wellness program to curb the COVID-19 outbreak:

- Telemedicine consultation for COVID-19.
- Fitness challenges and crash courses on fitness.

- Webinars/workshops on emotional and mental wellbeing of employees and their family members in COVID-19 outbreak.
- Health assessments and happiness quotient.
- Measures were undertaken to safeguard the health of employees like sanitization of facilities & social distancing.
- Regular communication and connect with employees through advisory.
- Talk on diets, exercise and ergonomics during work from home.
- COVID-19 training on safety measures and awareness for all third-party vendors was carried out in Auditorium during the first week of February.
- COVID-19 awareness and preventive posters were posted at various key points in the premises.
- Sterilization of entire facility done by professional pest control teams.
- Provision of masks and sanitizers to all cab drivers.
- In house Sterilization of all cabs done in presence of transport team.
- Sanitizers placed at various entry, exit and key points in the premises to ensure easy access for employees.
- Infra-red temperature guns introduced to check temperature of all employees and third-party personnel entering the premises.
- Normal chemicals and toiletries replaced by COVID-19 specific disinfectant cleaners for effectiveness.

Other initiatives:

- Laughter yoga for relaxation of mind.
- Zumba sessions.
- Employee assistance program for 24*7 counselling services.
- Occupational health center.
- Empaneled dietician and general physician.

- Provision of health food counters in all locations.
- Discounted medicines at branded medical stores.
- Free mammography for women employees and spouses of the male employees.
- Sanitary Napkins availability in all the restrooms.
- Indoor and outdoor tournaments for fitness - Carom, Badminton, etc.
- Yoga and Pranayam sessions were organized by certified trainer for all third-party vendors to ensure their physical and mental health.
- Check-in and check-out of security escorts for lady employees has been automated to get online records.

Technology Absorption

We as an organization were instrumental to bring the concept of Bi Modal IT to life for Birlasoft. As per Gartner, Bimodal is the practice of managing two separate but coherent styles of work: one focused on predictability; the other on exploration.

Mode 1 is optimized for areas that are more predictable and well-understood. It focuses on exploiting what is known, while renovating the legacy environment into a state that is fit for a digital world. This for us was our Enterprise Resource Planning (“ERP”) system. ERP traditionally is silo based, known for governance and predictability. What it lacks is customer experience and the features that today’s social and digital apps bring into live today.

Hence, we were given the task to build the;

Mode 2 i.e. exploratory, experimenting to solve new problems and optimized for areas of uncertainty. We call it the system of engagement. It is a react and angular based application deployed on top of a platform (VMWare Cloud Foundry PaaS) connecting to the ERP using the microservices strategy.

Since we embraced cloud native development and micro services based approach during this year where harmonizing systems, integrating to one application stack, post the merging of both organization’s, Technologies was key and we could arrive at the best of options for integration give the One Organization One System program, we chose to have SAP HANA for the ERP, engagement system of employee self-

service applications built using the edge technologies and adopts standard SaaS products for processes related to performance management (Cornerstone On Demand), IT service management (Service Now), Recruitment (Taleo). There are quite a few legacy applications which we have let gone.

Since, we were early adopters of PaaS and cloud native development, during the testing time of the pandemic COVID-19 lockdown, we were able to scale up and spin additional application over the cloud and enable remote working at the earliest. We could leverage the value of what we had invested and envisaged in 2017, though for a different reason.

Another area where we are working in the next year is to adopt cognitive technologies for solving real-life problems. Cognitive technologies are products of the field of artificial intelligence. They can perform tasks that earlier only humans used to be able to do. Examples of cognitive technologies include computer vision, machine learning, natural language processing, speech recognition and robotics. We are evaluating, face recognition for enhancing visitor experience and employee recognition.

We also would like to harness the power of in the moment analytics that SAP HANA platform offers and plan the Implementation of Data Lakes: predominantly for predictive analytics and Visual analytics to bring out the invisible insights and come up with the recommendation engine.

Since we have the technical infrastructure, PaaS we also would like to embark on the IoT way for areas within the organization typically improve the building management systems.

In today’s scenario building the digital culture is key. We are building and operationalizing the DevOps culture within the tech team. Drive the importance of Agile way of working, fail fast and focus on MVP to start is another aspect that we are embracing this year.

Foreign Exchange Earnings and Outgo

Given the global nature of the business of the Company, exports always form its thrust. The total foreign exchange earnings during the year have been ₹ 11,924.21 million (previous year ₹ 11,551.83 million) and foreign exchange outgo (including imports) has been ₹ 588.15 million (previous year ₹ 420.35 million).

For and on behalf of the Board of Directors

New Delhi
May 20, 2020

Amita Birla
Chairman
DIN: 00837718

Report on Corporate Governance

Corporate Governance Philosophy:

Corporate Governance essentially involves balancing the interests of various stakeholders of the Company such as shareholders, management, customers, suppliers, financiers, government and the community. It entails managing business in a manner that is accountable and responsible to the shareholders.

Corporate Governance implies an accurate, adequate and timely disclosure of relevant information. It includes the processes through which organization's objectives are set and pursued in the context of the social, regulatory and market environment. Efficient, transparent and impeccable Corporate Governance is vital for stability, profitability and desired growth of the business of any organization. The importance of such Corporate Governance has now become more intensified, owing to ever-growing competition and rivalry in the businesses of almost all economic sectors, both at the national and international levels. Therefore, the Companies Act, 2013 [hereinafter referred to as "the Act"], and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as "the SEBI (LODR) Regulations, 2015"], have innovative means to make Corporate Governance in India optimally progressive, transparent and beneficial to all the stakeholders.

Corporate Governance is basically an approach of managing efficiently and prudently all the activities of a company, in order to make the business stable and secure, growth-oriented, maximally profitable to its shareholders and highly reputed and reliable among all customers and clients. The Company is directed and controlled in a way in order to achieve the goals and objectives to add value to the Company and also benefit the stakeholders in the long term. The Board structure and top management are directly and exclusively responsible for such governance. For these purposes, the top management must have flawless and effective control over all affairs of the organization, regular monitoring of all business activities and transactions, proper care and concern for the interest and benefit of the shareholders and strict compliances to regulatory and governmental regulations. Thus, Corporate Governance is strict and efficient application of all best management practices

and corporate & legal compliances, amid the contemporary and continually changing business scenarios.

We have been practicing Corporate Governance to ensure transparency in our corporate affairs and are committed to continuously scale up the Corporate Governance standards.

Our Corporate Governance framework has been built on the Company's value system which is as follows:

Engaged: People are our biggest assets. This includes the customers we serve, our colleagues and the suppliers we partner with. When customers work with us, they allow us to enter their organization and blend harmoniously with their culture and people. We engage with them to work seamlessly and it's no different when it comes to working with our partners.

Dependable: Customers look for support and we need to make them feel that they can rely on us. It's very important for us to find out how we as an organization can win their trust and continue to function as a dependable unit.

Challenger: Our Organization is about scale and quality. We take great care to deliver the best to our customers by understanding their needs. Focus, agility and flexibility from our side are always paramount as we go the extra mile to drive success for our customers.

Our philosophy is aimed at conducting business ethically, efficiently and in a transparent manner based on the following principles:

1. Compliance with the relevant provisions of securities laws and conformity with globally accepted practices of corporate governance, secretarial standards provided by the Institute of Company Secretaries of India and laws of India in true spirit;
2. Integrity in financial reporting and timeliness of disclosures;
3. Transparency in the functioning and practices of the Board;
4. Balance between economic and social goals;
5. Equitable treatment and rights of shareholders;
6. Maintenance of ethical culture within and outside the organization;

7. Establishing better risk management framework and risk mitigation measures; and
8. Maintaining independence of auditors.

We seek to protect the shareholders' rights by providing timely and sufficient information to the shareholders, allowing effective participation in key corporate decisions and by providing adequate mechanism to address the grievances of the shareholders. This ensures equitable treatment of all shareholders including minority and foreign shareholders. We ensure timely and accurate disclosure on significant matters including financial performance, ownership and governance of the Company. We implement the prescribed accounting standards in letter and spirit in the preparation of financial

statements, taking into account the interest of the stakeholders and the annual audit is conducted by an independent and qualified auditor. Investor updates are uploaded on the Company's website on quarterly basis and also intimated to the stock exchanges for its stakeholders. Further, additional updates are provided to the stakeholders on any matter that concerns them, as and when the circumstances arise.

Our Board of Directors periodically reviews its corporate strategies, annual budgets and sets, implements and monitors corporate objectives. It effectively monitors the Company's governance practices and ensures transparent Board processes. Further, it appoints and compensates the key executives and monitors their performance. It strives to maintain overall integrity of the accounting and financial reporting systems.

I. BOARD OF DIRECTORS

A. Size and composition of the Board

In order to maintain independence of the Board, we have a judicious mix of Executive, Non-Executive and Independent Directors on the Board which is essential to separate the two main Board functions viz. governance and management. Out of the total strength of eight Directors as on March 31, 2020, five are Independent Directors, two are Non-Executive Directors and one is an Executive Director. The Board members come from diverse background and possess rich experience and expertise in various fields. The composition of the Board and the number of directorships held by each Director both in the Company as well as outside the Company is detailed in Table 1.

Table 1: The composition of the Board and the number of directorships held by them as on March 31, 2020

Sr. No.	Name of Director	Category of Directorship at Birlasoft	Relationship with the Directors	No. of Directorships held in Public Companies*	Name & Category of Directors in other Listed Companies	No. of Committee Membership in Companies ^{a#}	No. of Chairmanship in Committees ^a
1	Mrs. Amita Birla - Chairman	Non-Executive	Yes (Spouse of Mr. Chandrakant Birla)	4	1. Orient Cement Limited - Non-Executive, Non-Independent Director	1	Nil
2	Mr. Chandrakant Birla	Non-Executive	Yes (Spouse of Mrs. Amita Birla)	8	1. Orient Cement Limited - Chairman, Non-Executive, Non-Independent Director 2. Orient Paper & Industries Limited - Chairman, Non-Executive, Non-Independent Director 3. Orient Electric Limited - Chairman, Non-Executive, Non-Independent Director 4. HIL Limited - Chairman, Non-Executive, Non-Independent Director	Nil	Nil

Sr. No.	Name of Director	Category of Directorship at Birlasoft	Relationship with the Directors	No. of Directorships held in Public Companies*	Name & Category of Directors in other Listed Companies	No. of Committee Membership in Companies [#]	No. of Chairmanship in Committees [@]
3	Mr. Anant Talaulicar	Independent	None	6	1. Force Motors Limited – Non-Executive, Independent Director 2. The Hi-Tech Gears Limited – Non-Executive, Non-Independent Director 3. KPIT Technologies Limited - Non-Executive, Independent Director 4. India Nippon Electricals Limited - Non-Executive, Independent Director 5. Everest Industries Limited – Non-Executive, Independent Director	4	1
4	Ms. Alka Bharucha	Independent	None	9	1. Ultratech Cement Limited - Non-Executive, Independent Director 2. Orient Electric Limited - Non-Executive, Independent Director 3. Hindalco Industries Limited - Non-Executive, Independent Director 4. Honda Siel Power Products Limited - Non-Executive, Independent Director	8	3
5	Mr. Ashok Kumar Barat	Independent	None	7	1. Bata India Limited - Non-Executive, Independent Director 2. DCB Bank Limited - Non-Executive, Independent Director 3. Cholamandalam Financial Holdings Limited - Non-Executive, Independent Director 4. Cholamandalam Investment and Finance Company Limited - Non-Executive, Independent Director	7	4
6	Ms. Nandita Gurjar	Independent	None	3	1. Galaxy Surfactants Limited - Non-Executive, Independent Director	2	Nil
7	Mr. Prasad Thrikutam	Independent	None	1	Nil	2	Nil
8	Mr. Dharmander Kapoor	Executive	None	1	Nil	Nil	Nil

*including directorship in Birlasoft Limited.

[@]includes only Audit Committee & Stakeholders Relationship Committee in all public limited companies including Birlasoft Limited.

[#]Memberships include Chairmanship.

All the conditions as prescribed under the SEBI (LODR) Regulations, 2015, with respect to directorships, committee memberships & chairmanships, are being complied with by the Directors of the Company. Further, they have made necessary disclosures regarding the same as on March 31, 2020.

B. Core competencies of the Board of Directors as per Part C of Schedule V - Corporate Governance Report requirements of the SEBI (LODR) Regulations, 2015

The Board of Directors is structured with a judicious mix of various skills & competencies in order to assist the management and provide them advice in the business operations.

The list of core skills/competencies identified by the Board of Directors are as follows:

- a) Expertise in legal, finance & accountancy,
- b) Technical consultancy,
- c) IT business operations,
- d) Human resources (stakeholder engagement),

- e) Sales & delivery,
- f) Risk management,
- g) Knowledge of the industry,
- h) Leadership,
- i) Board service & governance.

All the above-mentioned skill sets are available with the current Board of Directors for guiding the management in the efficient functioning of the Company.

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

Table 2: Key Board Expertise/Skills/Competence

Director	Area of Expertise/Skills/Competence								
	Legal/ Finance/ Accountancy	Technical	IT Business Operations	Stakeholder Engagement	Sales & Delivery	Risk Management	Knowledge of the Industry	Leadership	Board Service & Governance
Mrs. Amita Birla	✓		✓	✓	✓	✓	✓	✓	✓
Mr. Chandrakant Birla	✓		✓	✓		✓	✓	✓	✓
Mr. Anant Talaulicar	✓	✓		✓	✓	✓	✓	✓	✓
Ms. Alka Bharucha	✓			✓					✓
Mr. Ashok Kumar Barat	✓					✓		✓	✓
Ms. Nandita Gurjar	✓		✓	✓			✓	✓	
Mr. Prasad Thrikutam	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Dharmander Kapoor		✓	✓	✓	✓		✓	✓	

C. Board Familiarization Program

Our Directors, at the time of their appointment, are provided with information about the Company and its organization structure, business model, vision and values, latest published results and internal policies to enable them to familiarize themselves with the Company's procedures and practices.

During the year, the Board members were provided a deep and thorough insight of the business model of the Company, through detailed presentations on the operational aspects of the Company's business. At every Board meeting, there is a detailed business presentation made which is useful to the Directors in understanding the business, including projects, market share, financial parameters, working capital management, fund flows,

change in senior management, major litigation(s), compliance(s) etc. The presentation is made by business leaders so that the Directors are able to connect with them and also ask them related questions. Efforts are also made to acquaint and train the Board members about risk assessment, mitigation plans and the emerging trends in the industry.

The details of such familiarization programs are uploaded on the website of the Company at <https://www.birlasoft.com/company/investors/corporate-governance>.

D. Independent Directors

1. Independent Director

In the opinion of the Board, all the Independent Directors fulfill the criteria on independence as

prescribed under Regulation 16 of the SEBI (LODR) Regulations, 2015, as explained below, and are independent of the management.

Independent Director shall mean a Non-Executive Director, other than a Nominee Director of the Company:

- a. who, in the opinion of the Board of Directors, is a person of integrity and possesses relevant expertise and experience;
- b. who is or was not a Promoter of the Company or its holding, subsidiary or associate companies or member of the promoter group of the Company;
- c. who is not related to Promoters or Directors in the Company or its holding, subsidiary or associate companies;
- d. who, apart from receiving director's remuneration, has or had no material pecuniary relationship with the Company or its holding, subsidiary or associate companies, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- e. none of whose relatives has or had pecuniary relationship or transaction with the Company or its holding, subsidiary or associate companies, or their promoters, or Directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- f. who, neither himself nor whose relative(s) -
 - (i) holds or has held the position of a key managerial personnel or is or has been an employee of the Company or its holding, subsidiary or associate companies in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of -

(A) a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate companies; or

(B) any legal or a consulting firm that has or had any transaction with the Company or its holding, subsidiary or associate companies amounting to ten per cent or more of the gross turnover of such firm;

(iii) holds together with his relatives two per cent or more of the total voting power of the Company; or

(iv) is a chief executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts or corpus from the Company, any of its promoters, Directors or its holding, subsidiary or associate companies or that holds two per cent or more of the total voting power of the Company;

(v) is a material supplier, service provider or customer or lessor or lessee of the Company;

g. who is not less than 21 years of age;

h. who is not a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director.

2. Limit on number of directorships

The number of companies in which each Independent Director of the Company holds office as an Independent Director is within the limits prescribed under Regulations 17A and 25 of the SEBI (LODR) Regulations, 2015.

3. Maximum tenure of the Independent Directors

None of the Independent Directors have exceeded the tenure prescribed under Regulation 25 of the SEBI (LODR) Regulations, 2015 and under Section 149(10) of the Act.

4. Formal letter of appointment to Independent Directors

The Company has issued formal appointment letters to the Independent Directors, a specimen of which has been placed on the Company's website.

5. Performance evaluation of Independent Directors

The Nomination and Remuneration Committee has laid down criteria for performance evaluation of Independent Directors, which are given below:

- a) Attendance at Board meetings and Board Committee meetings;
- b) Chairmanship of the Board and Board Committees;
- c) Contribution and deployment of knowledge and expertise at the Board and Committee meetings;
- d) Guidance and support provided to senior management of the Company outside the Board meetings;
- e) Independence of behaviour and judgement;
- f) Impact and influence; and
- g) Performance of the Directors.

6. Separate meeting of the Independent Directors

During the financial year 2019-20, a separate meeting of the Independent Directors of the Company was held on March 20, 2020.

E. Responsibilities of the Chairman and other Executive Directors

Mrs. Amita Birla is the Non-Executive Chairman of the Board of Directors. Mr. Anjan Lahiri was the Managing Director & Chief Executive Officer upto May 31, 2019, and Mr. Pawan Sharma was the Whole-time Director upto May 31, 2019. Thereafter, Mr. Dharmander Kapoor was appointed as the Chief Executive Officer ("CEO") & Managing Director with effect from June 1, 2019. The authorities and responsibilities of each of the above Directors are clearly demarcated as under:

The Chairman guides the team in overseeing business, management of key external relationships and managing Board matters. She also plays a strategic role in Community Initiatives and Corporate Governance.

The CEO & Managing Director is in-charge of the overall management of the Company. He is specifically responsible for all day-to-day operational issues like planning and executing business, reviewing and guiding the country offices, customer delivery units and support functions and ensuring efficient and effective functioning of the organization as a whole.

F. Membership Term

As per the current laws in India, Independent Directors can hold office for a term of five years which can be extended for another period of five years. In the Annual General Meeting held on August 7, 2019, the members appointed Mr. Ashok Kumar Barat, Ms. Nandita Gurjar and Mr. Prasad Thrikutam for a term of five years, with effect from January 15, 2019. Further, Mr. Anant Talaulicar and Ms. Alka Bharucha were appointed as Independent Directors, for a term of five years from October 21, 2017 and May 23, 2018 respectively.

Mrs. Amita Birla is appointed as the Chairman, and Mr. Chandrakant Birla is appointed as Non-Executive Director. Further, Mr. Pawan Sharma & Mr. Anjan Lahiri resigned from their positions of Whole-time Director and Managing Director & Chief Executive Officer of the Company. Further to their cessation, Mr. Dharmander Kapoor was appointed as the CEO & Managing Director for a period of three years, with effect from June 1, 2019, which was approved by the members in the Annual General Meeting held on August 7, 2019.

Mr. Sachin Tikekar was appointed as a Nominee Director of KPIT Technologies Limited (formerly KPIT Engineering Limited) ("KPIT") with effect from June 1, 2019. Further, pursuant to the falling away of joint control of KPIT Promoters over the Company, Mr. Sachin Tikekar resigned and ceased to be a Director of the Company, with effect from February 1, 2020.

Two-third of the Non-Independent Directors are liable to retire by rotation. Out of the two-third Directors, one-third of such directors shall retire from office, and shall be eligible for re-appointment at the ensuing Annual General Meeting. Mr. Chandrakant Birla retires at the forthcoming Annual General Meeting, and being eligible, offers himself for re-appointment as a Director.

The Chief Executive Officer and Managing Director is appointed by the members of the Company (subject to retirement by rotation as mentioned hereinabove), but is eligible for re-appointment upon completion of his term.

G. Board & Committee Meeting Agenda and Minutes

The Company Secretary receives details on the matters which require the approval of the Board/Committees of the Board, from various departments of the Company, well in advance, so that they can be included in the Board/Committee meeting agenda. The information as required

under the SEBI (LODR) Regulations, 2015, is made available to the members of the Board/Committee. All material information is incorporated in the agenda papers for facilitating meaningful and focused discussions at the meetings. In compliance with the statutory requirements, the following items are discussed in the quarterly meetings:

- Minutes of the previous Board meeting and meetings of Board committees held in the previous calendar quarter;
- Noting of resolutions passed by circulation;
- Minutes of Board meetings of all subsidiaries held in the previous calendar quarter;
- Quarterly results of the Company and its operating divisions or business segments;
- Annual operating plans and budgets and any updates;
- Capital budgets and any updates;
- Presentation on the financial results, which generally includes the following:
 - Financials for the quarter and its analysis
 - Cash profit generated during the quarter
 - Yearly financial plan vs. actual
 - SBU (Strategic Business Unit) wise performance
 - Profitability drivers
 - Utilization of resources
 - Peer group analysis and analyst coverage
 - Mergers and acquisitions pursuits
 - Investments in the Company
 - Subsidiaries' financials and operations
 - Statement on foreign exchange exposure and related mitigating activities.
- Presentations of the Statutory Auditor's Audit and Limited Review Report;
- Related party transactions (including material transactions with subsidiaries);
- Corporate Governance compliances and statutory compliance certificate;

- Other statutory agenda including action tracker on implementation of decisions taken in previous Board meeting(s) and presentation by Internal Auditors;
- The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer (CFO) and the Company Secretary, if any;
- Show cause, demand, prosecution notices and penalty notices which are materially important;
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods/ services sold by the Company;
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company;
- Details of any joint venture or collaboration agreement and its compliance;
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property;
- Any significant development in Human Resources front;
- Sale of material nature, of investments, subsidiaries, assets, not in normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements and any shareholders' service such as non-payment of dividend, delay in share transfer, etc.

Every agenda and minutes of the meetings are prepared in compliance with the SEBI (LODR) Regulations, 2015, as well as the Act, and the rules framed thereunder, in force from time to time and the Secretarial Standards issued by the Institute of Company Secretaries of India. The draft minutes of the proceedings of the meetings of the Board as well as the Committees of the Board are circulated to all the Directors/Members of the Committee.

H. Non-Executive Directors' shareholding

As on March 31, 2020, none of the Non-Executive Directors hold Equity Shares of the Company.

Details of compensation paid/payable to other Non-Executive Directors are disclosed elsewhere in this Report.

I. Other provisions as to Board and Committees

1. Board meetings schedule:

As a good practice, the dates of the Board meetings in a financial year are decided in advance and circulated to all the Board members. These dates are also included elsewhere in this Report. The Board meetings are held at the Registered Office of the Company located in Pune or at other offices situated in National Capital Region. The agenda for each meeting is drafted by the Company Secretary in consultation with the Chairman of the Board and circulated to the Board members in

advance of the meetings. The Board meets at least once every quarter to review and approve the quarterly results and other items on the agenda. In addition, the Board normally meets annually, for discussions on the annual operating plan. Additional Board meetings are held, whenever necessary.

During the year, seven Board meetings were held on the following dates:

- a) May 24, 2019;
- b) August 7, 2019;
- c) August 12, 2019;
- d) October 3, 2019;
- e) November 8, 2019;
- f) January 31, 2020; and
- g) March 27, 2020.

Table 3: Number of Board meetings and the attendance of Directors during the financial year 2019-20

Sr. No.	Name of the Director	No. of Board meetings held during the tenure of each Director	No. of Board meetings attended*	Attendance at the last AGM
1	Mrs. Amita Birla – Chairman	7	7	No
2	Mr. Chandrakant Birla	7	6	No
3	Mr. Anant Talaulicar	7	6	Yes
4	Ms. Alka Bharucha	7	2	No
5	Mr. Ashok Kumar Barat	7	6	Yes
6	Ms. Nandita Gurjar	7	7	Yes
7	Mr. Prasad Thrikutam	7	5	Yes
8	Mr. Sachin Tikekar [#]	5	5	Yes
9	Mr. Dharmender Kapoor – CEO & Managing Director ^{**}	6	6	Yes
10	Mr. Anjan Lahiri ^{##}	1	1	N.A.
11	Mr. Pawan Sharma ^{###}	1	0	N.A.

*Including attendance by videoconference or teleconference.

**Appointed as the CEO & Managing Director with effect from June 1, 2019.

[#]Ceased to be a Nominee Director with effect from February 1, 2020.

^{##}Ceased to be the Managing Director & CEO with effect from June 1, 2019.

^{###}Ceased to be a Whole-time Director with effect from June 1, 2019.

2. Membership of Board committees

None of the Directors of the Company hold membership of more than ten committees nor is any Director a Chairman of more than five committees of boards of all the companies where he/she holds directorships (please refer Table 1).

3. Review of compliance reports

For monitoring and ensuring compliance with applicable laws by the Company and its subsidiaries located in and outside India and for establishing adequate management control over the compliances of all acts, laws, rules, regulations and regulatory

requirements, the Company has set-up a regulatory compliance process within the organization. The Compliance Officer is the process owner of this process and is responsible for obtaining compliance certificates from all departments and entities and reporting compliance to the Board of Directors. Thereafter, a quarterly compliance certificate is placed before the Board of Directors of the Company, which reviews compliance reports of all laws applicable to the Company on a quarterly basis in its Board Meetings.

II. COMMITTEES OF THE BOARD

The Board Committees as on March 31, 2020, are - Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility (CSR) Committee and the Risk Management Committee. All of these Committees are chaired by Non-Executive/Independent Directors. The Board is responsible for constituting, co-opting and fixing the terms of reference for the committees. The dates of the Committee meetings in a financial year are also decided before the start of the financial year and circulated to all the members. Normally, the Audit Committee meets at least four times a year; Stakeholders Relationship Committee meets annually; CSR, Risk Management and Nomination and Remuneration Committee meets at least twice a year. Except where a statutory quorum has been prescribed, the quorum for committee meetings is either two members or one-third of the total strength of the committee, whichever is higher. Draft minutes of the committee meetings are circulated to the members of those committees for their comments and thereafter, confirmed in its next meeting. The Board of Directors also take note of the minutes of the committee meetings held in the previous calendar quarter, at its meetings.

A. Audit Committee

Composition

The Audit Committee consists of five Independent Directors. Mr. Ashok Kumar Barat is the Chairman of this Committee, and Mr. Anant Talaulicar, Ms. Alka Bharucha, Ms. Nandita Gurjar and Mr. Prasad Thrikutam are the other members. All members of this Committee are financially literate. A brief profile of all the Committee members is provided in this Report. The Chief Financial Officer attends all the meetings of the Committee. The Company Secretary

is the Secretary to the Committee. The Statutory Auditor and the Internal Auditor also make their presentations at the Committee meetings.

Role and objectives

The Company has duly defined the role and objectives of the Audit Committee on the same lines as provided under Regulation 18(3) read with Schedule II of the SEBI (LODR) Regulations, 2015, and the Act, as amended from time to time. The role and objectives of the Audit Committee, as defined by the Board of Directors, inter alia include:

1. oversight of the financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a) matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transactions;
 - g) modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

6. reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the Company with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the Company, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. carrying out any other function as is mentioned in the terms of reference of the audit committee;
21. reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision;
22. management discussion and analysis of financial condition and results of operations;
23. statement of significant related party transactions (as defined by the audit committee), submitted by management;
24. management letters/letters of internal control weaknesses issued by the statutory auditors;
25. internal audit reports relating to internal control weaknesses;
26. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
27. statement of deviations:
 - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
 - b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Meetings

During the financial year 2019-20, the Audit Committee met five times – May 24, 2019, August 6 & 7, 2019, September 16, 2019, November 7 & 8, 2019 and January 30 & 31, 2020. The details of meetings and attendance are given in Table 4.

Table 4: Audit Committee - meetings and attendance

Sr. No.	Name of the Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	Mr. Ashok Kumar Barat – Chairman	5	4
2	Mr. Anant Talaulicar	5	4
3	Ms. Alka Bharucha	5	2
4	Ms. Nandita Gurjar	5	5
5	Mr. Prasad Thrikutam	5	5

B. Nomination and Remuneration Committee

Composition

The Nomination and Remuneration Committee consists of two Independent Directors and one Non-Executive Director. Mr. Anant Talaulicar, is the Chairman and Mrs. Amita Birla and Ms. Nandita Gurjar are the other members of the Committee.

Role and objectives

The role and objectives of the Committee, as provided under Regulation 19(4) read with Schedule II of the SEBI (LODR) Regulations, 2015 and as defined by the Board of the Directors of the Company, are as under:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. formulation of criteria for evaluation of performance of board of directors, its committees, individual directors and independent directors, to be carried out by the Board/Committee or by an independent external agency and review its implementation and compliance;
3. devising a policy on diversity of Board of Directors;
4. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
5. decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

6. recommend to the Board, all remuneration, in whatever form, payable to senior management.

Meetings

The Committee met four times during the year – May 24, 2019, August 12, 2019, November 8, 2019 and March 26, 2020. The details of meetings and attendance are given in Table 5.

Table 5: Nomination and Remuneration Committee - meetings and attendance

Sr. No.	Name of the Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	Mr. Anant Talaulicar – Chairman	4	4
2	Mrs. Amita Birla	4	4
3	Ms. Nandita Gurjar	4	4

C. Stakeholders Relationship Committee

Composition

The Board has formed a Stakeholders Relationship Committee to look into shareholder-related matters. During the year, the Committee was reconstituted. The members as on March 31, 2020, are Ms. Alka Bharucha as the Chairman of the Committee, Ms. Nandita Gurjar and Mr. Prasad Thrikutam are the other members of the Committee.

Compliance Officer

The Board has appointed Ms. Sneha Padve, the Company Secretary, as the Compliance Officer, as required under the SEBI (LODR) Regulations, 2015.

Role and objectives

The role and objectives of the Committee as provided under Regulation 20(4) read with Schedule II of the SEBI (LODR) Regulations, 2015 and as defined by the Board of Directors of the Company:

1. Resolving the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate share certificates, general meetings, etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;

- Review of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Meetings

The meetings of the Committee are held to review and resolve only those cases which are pending for action for more than normal processing period. The details of complaints received, solved and pending from the shareholders/investors are given below. As required under the SEBI (LODR) Regulations, 2015, the Company files with the stock exchange(s) within twenty one days from the end of each quarter, a statement giving the number of investor complaints pending at the beginning of the quarter, those received during the quarter, disposed of during the quarter and those remaining unresolved at the end of the quarter and the same is placed before the Board on a quarterly basis.

The Company has a dedicated e-mail ID: grievances@birlasoft.com for communicating shareholders' grievances.

During the year, one meeting of the Stakeholders Relationship Committee was held on August 7, 2019. The details of the meeting and attendance are given in Table 6.

Table 6: Stakeholders Relationship Committee - meetings and attendance

Sr. No.	Name of the Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	Ms. Alka Bharucha – Chairman	1	0
2	Mr. Prasad Thrikutam	1	1
3	Mr. Ashok Kumar Barat*	1	1
4	Ms. Nandita Gurjar#	0	0

*Mr. Ashok Kumar Barat ceased to be a member of this Committee with effect from March 27, 2020.

#Ms. Nandita Gurjar was appointed as a member of this Committee with effect from March 27, 2020.

Table 7: Details of Complaints by the Shareholders/Investors during the period from April 1, 2019 to March 31, 2020

Sr. No.	Nature of complaints	No. of pending complaints as on April 1, 2019	No. of complaints received	No. of complaints processed	No. of pending complaints as on March 31, 2020
1	SEBI	Nil	1	1	Nil
Total		Nil	1	1	Nil

D. Corporate Social Responsibility (CSR) Committee

The Company has a Corporate Social Responsibility (CSR) Committee to oversee the discharge of Corporate Social Responsibility obligations, as required by Section 135 of the Act, and the relevant rules. The Committee consists of three directors including two Independent Directors.

Composition

Mrs. Amita Birla is the Chairman of the Committee. Ms. Nandita Gurjar and Mr. Anant Talaulicar are the other members of the Committee.

Role and objectives

The role and objectives of the Committee, as defined by the Board of Directors of the Company, are as under:

- formulation and recommendation of CSR policy to the Board;
- identification of activities to be undertaken by the Company;
- recommendation of amount of expenditure on CSR activities;
- monitor the CSR policy from time to time.

Meetings

The Committee met twice during the year on May 24, 2019 and November 8, 2019. The details of meetings and attendance are given in Table 8.

Table 8: Corporate Social Responsibility Committee - meetings and attendance

Sr. No.	Name of the Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	Mrs. Amita Birla – Chairman	2	2
2	Ms. Nandita Gurjar	2	2
3	Mr. Anant Talaulicar	2	2

E. Risk Management Committee

The Company has an integrated approach to managing the risks inherent in the various aspects of business. As a part of this approach, the Company's Board is responsible for monitoring risk levels according to various parameters and ensuring implementation of mitigation measures, if required.

The Company has a Risk Management Committee, as required by Regulation 21 of the SEBI (LODR) Regulations, 2015. The Committee consists of five Independent Directors.

Composition

Mr. Prasad Thrikutam is the Chairman of the Committee. Mr. Anant Talaulicar, Ms. Alka Bharucha, Mr. Ashok Kumar Barat and Ms. Nandita Gurjar are the other members of the Committee.

Role and objectives

The role and objectives of the Committee, as defined by the Board of Directors of the Company is as under:

- To monitor and review the Risk Management Plan of the Company;
- To monitor and review cyber security measures.

Meetings

The Committee met twice during the year on May 24, 2019 and January 30, 2020. The details of meetings and attendance are given in Table 9.

Table 9: Risk Management Committee - meetings and attendance

Sr. No.	Name of the Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	Mr. Prasad Thrikutam – Chairman	2	2
2	Mr. Anant Talaulicar	2	1
3	Ms. Alka Bharucha	2	0
4	Mr. Ashok Kumar Barat	2	1
5	Ms. Nandita Gurjar	2	2

III. REMUNERATION OF DIRECTORS

Within the limits prescribed under the Act, and by the members' resolutions, the Nomination and Remuneration Committee determines and recommends to the Company's Board, the remuneration payable to Executive and Non-Executive Directors and thereafter, the Board considers the same for approval. During the year under review, ESOPs were granted to Mr. Dharmender Kapoor – CEO & Managing Director of the Company. The details of remuneration paid to the Executive Directors of the Company are given in Table 10.

Table 10: Remuneration paid to Executive Directors in the financial year 2019-20

(Amount in ₹ million)

Name of Director/Remuneration Details	Mr. Anjan Lahiri*	Mr. Pawan Sharma [†] and #	Mr. Dharmender Kapoor**
	Managing Director & CEO	Whole-time Director	CEO & Managing Director
Salary	3.41	5.75	20.68
Employer's contribution to Provident Fund	0.17	0.19	1.29
Leave Encashment	1.18	-	0.54
Variable Performance Incentive	4.86	1.02	9.38
Perquisites##	163.09	-	21.91
Notice Period	-	-	-
Severance fees	Notice pay	Notice pay	Notice pay
Total	172.71	6.96	53.80

*upto May 31, 2019.

#Does not include USD 228,750/- paid to Mr. Pawan Sharma by Birlasoft Solutions Inc. during the financial year 2019-20.

**with effect from June 1, 2019.

##In accordance with the definition of perquisites under the Income Tax Act, 1961, the remuneration includes the value of stock incentives only on those shares that have been exercised during the period. Accordingly, the value of stock incentives granted during the period is not included.

Note: Managerial remuneration excludes provision for gratuity, as separate actuarial valuation for the Directors is not available (except for Mr. Pawan Sharma and Mr. Anjan Lahiri who have been paid gratuity during the year under review).

Under Section 197 of the Act, a Director who is neither in the whole-time employment of the Company nor a Managing Director ('Non-Executive Directors'), may be paid remuneration by way of commission if the members of the Company, authorize such payment. However, the remuneration paid to all such Non-Executive Directors taken together should not exceed 1% of the net profit of the Company in any relevant financial year, if the Company has a Managing or a Whole-time Director or manager. The Board of Directors of the Company has approved a commission of ₹ 21.50 million (previous year ₹ 13.67 million) to the Non-Executive Directors of the Company for the financial year 2019-20. There is no other remuneration to the Non-Executive Directors, except sitting fees for the meetings attended by them. The details of remuneration to the Non-Executive Directors for the financial year 2019-20 are given in Table 11.

Table 11: Remuneration to Non-Executive Directors

(Amount in ₹ million)		
Name of Director	Commission	Sitting Fees
Mrs. Amita Birla – Chairman	5.00	0.90
Mr. Chandrakant Birla	2.00	0.50
Mr. Anant Talaulicar	2.50	1.35
Ms. Alka Bharucha	2.00	0.40
Mr. Ashok Kumar Barat	3.00	1.10
Ms. Nandita Gurjar	2.00	1.60
Mr. Prasad Thrikutam	5.00	1.15
Mr. Sachin Tikekar*	-	0.50
TOTAL	21.50	7.50

*upto January 31, 2020.

Table 12: Basis for remuneration paid to Non-Executive Directors

Remuneration	Board meeting & Audit Committee meeting	Other Committee meetings
Sitting Fees	₹ 1,00,000/- per meeting	₹ 50,000/- per meeting
Commission	The total amount of commission to be paid to the Non-Executive Directors for the financial year 2019-2020 is ₹ 21.50 million. This is distributed among the Non-Executive Directors on the basis of their chairmanship/membership of Board committees, duration of their directorship during the year and their general contribution to the Company outside board/committee meetings.	

IV. SHAREHOLDERS' INFORMATION

A. General body meetings

Table 13: Details in respect of the last three Annual General Meetings (AGMs) of the Company

Date of the meeting (year)	Venue of the meeting	Time of the meeting	Special Resolution Passed
August 23, 2017 (2016-17)	KPIT Technologies Limited Auditorium SDB II, 35 & 36, Rajiv Gandhi Infotech Park, Phase - I, MIDC, Hinjawadi, Pune – 411057.	10:30 A.M.	<ol style="list-style-type: none"> 1) To re-appoint Ms. Lila Poonawalla (DIN: 00074392) as an Independent Director of the Company for a period of five years from April 1, 2017, not liable to retire by rotation. 2) To re-appoint Dr. R. A. Mashelkar (DIN: 00074119) as an Independent Director of the Company for a period of five years from April 1, 2017, not liable to retire by rotation. 3) To re-appoint Mr. Adi Engineer (DIN: 00016320) as an Independent Director of the Company for a period of five years from April 1, 2017, not liable to retire by rotation. 4) To re-appoint Prof. Alberto Sangiovanni Vincentelli (DIN: 05260121) as an Independent Director of the Company for a period of five years from April 1, 2017, not liable to retire by rotation.
August 29, 2018 (2017-18)	KPIT Technologies Limited Auditorium SDB II, 35 & 36, Rajiv Gandhi Infotech Park, Phase - I, MIDC, Hinjawadi, Pune – 411057.	11:30 A.M.	<ol style="list-style-type: none"> 1) To re-appoint Mr. Anant Talaulicar (DIN: 00031051) as an Independent Director of the Company for a period of five years from October 21, 2017, not liable to retire by rotation.
August 7, 2019 (2018-19)	Birlasoft Limited Auditorium, SDB – II, 35 & 36, Rajiv Gandhi Infotech Park, Phase - I, MIDC, Hinjawadi, Pune – 411057.	04:00 P.M.	<ol style="list-style-type: none"> 1) To adopt a new set of Articles of Association of the Company.

B. Special Resolution through Postal Ballot

During the year, the Company passed special resolutions for the below through Postal Ballot:

- a) Approval for Birlasoft Share Incentive Plan – 2019 for the employees of the Company; and
- b) Approval for extension of the Birlasoft Share Incentive Plan – 2019 to the employees of the subsidiary company(ies), if any, of the Company.

Mr. Jayavant B. Bhave, Company Secretary in Whole-time Practice, having Membership No. – FCS 4266 and Certificate of Practice No. – 3068, was appointed as the Scrutinizer by the Board of Directors of the Company, for the purpose of scrutinizing the results of remote e-voting, and voting by physical postal ballot.

Procedure for Postal Ballot

In compliance with Sections 108, 110, and other applicable provisions of the Act, read with the related Rules, and any amendments thereof, the Company provided electronic facility (e-voting), in addition to the physical ballot, to all the members. For this purpose, the Company had engaged the services of National Securities Depository Limited (“NSDL”).

The Postal Ballot notice and forms were dispatched, along with postage-prepaid business reply envelopes to the members. The same notice was sent by e-mail to members who have opted for communication in electronic mode. An advertisement was also published in newspaper giving the details, and requirements as mandated by the Act, and applicable Rules.

The Scrutinizer completed his scrutiny and submitted his report to the Company Secretary, and thereafter, the consolidated results were announced by the Company Secretary. The results were displayed on the website of the Company, Stock Exchanges, Registrar & Transfer Agent and NSDL. The last date for the receipt of postal ballot forms and e-voting is the date on which the resolutions have been deemed to be passed.

Further, there is no immediate proposal for passing any resolution through Postal Ballot.

C. Relationship between the Directors

There is no relationship between the Directors of the Company, inter-se, except Mr. Chandrakant Birla, a Non-Executive Director of the Company, who is the spouse of Mrs. Amita Birla, Chairman of the Company.

D. Means of Communication

a) Quarterly Results

The Company's quarterly financial results are posted on the Company's website at <https://www.birlasoft.com/company/investors/policies-reports-filings>. During the financial year, the financial results were published in Financial Express and Loksatta. The financial results and all material information are also regularly provided to the Stock Exchanges as per the requirements of the SEBI (LODR) Regulations, 2015.

Table 14 – Details of Publication of Financial Results in Newspapers

Date of Publication	Particulars	Newspaper
May 26, 2019	Audited consolidated financial results for the quarter and year ended March 31, 2019.	The Financial Express & Loksatta
August 9, 2019	Unaudited consolidated financial results for the quarter ended June 30, 2019.	The Financial Express & Loksatta
November 9, 2019	Unaudited consolidated financial results for the quarter and half year ended September 30, 2019.	The Financial Express & Loksatta
February 1, 2020	Unaudited consolidated financial results for the quarter and nine months ended December 31, 2019.	The Financial Express & Loksatta

b) News releases

The official news releases are intimated to the Stock Exchanges and are also uploaded on the Company's website.

c) Presentations to the institutional investors/analysts

The detailed investor updates/presentations/earnings/concall transcripts etc. made to the institutional investors and financial analysts on the Company's quarterly, half-yearly as well as annual financial results are put on the Company's website, as well as sent to the Stock Exchanges.

d) Website

The Company's website at <https://www.birlasoft.com/company/investors> contains a separate section on "Investors", where relevant information is available.

e) Letters to members

Letters were sent to the members as per records, for claiming unclaimed/unpaid dividend/dematerialization of shares/updating PAN and Bank Account details, followed by reminders.

f) Designated E-mail ID

The Company has a designated E-mail ID, namely grievances@birlasoft.com for the shareholders.

g) NSE Electronic Application Processing System (NEAPS)

NEAPS is a web-based application designed by the National Stock Exchange of India Limited for corporates. All periodical and other compliance filings are filed electronically on NEAPS.

h) BSE Listing Centre (Listing Centre)

BSE Limited's Listing Centre is a web-based application designed for corporates. All periodical and other compliance filings are filed electronically on the Listing Centre.

i) SEBI Complaints Redress System (SCORES)

Investor complaints are processed at the Securities and Exchange Board of India in a centralized web-based complaints redress system. The salient features of this system are centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaints and their current status.

V. GENERAL SHAREHOLDER INFORMATION

1. **Registered and Corporate Office:** 35 & 36, Rajiv Gandhi Infotech Park, Phase - I, MIDC, Hinjawadi, Pune – 411057. Tel. No.: +91-20-66525000, Fax No.: +91-20-66525001, Website: www.birlasoft.com.
2. **Date of Incorporation:** December 28, 1990
3. **Registration No./CIN:** L72200PN1990PLC059594
4. **Details of Annual General Meeting (“AGM”):**
 - i. **Day & Date -** Wednesday, August 26, 2020
 - ii. **Time -** 02:30 p.m.
 - iii. **Venue -** The Company is conducting the AGM through Video Conferencing/Other Audio-Visual Means (“VC/OAVM”) pursuant to the Circulars issued by the Ministry of Corporate Affairs and as such, there is no requirement to have a venue for the AGM. For details, please refer the Notice of this AGM.
5. **Record Date for final dividend:** Friday, August 14, 2020
6. **Cut-off Date for:**
 - i. **Remote e-voting -** Wednesday, August 19, 2020
 - ii. **Attending AGM through VC/OAVM -** Wednesday, August 19, 2020
7. **Final dividend Payment Date:** Within the statutory time limit of 30 days, subject to the members’ approval in the Annual General Meeting.
8. **Financial year:** April 1, 2019 - March 31, 2020
9. **Financial Calendar for 2020-21:**
 - i. **Board meeting for consideration of unaudited quarterly results** – Within forty-five days from the end of the quarter, as stipulated under the SEBI (LODR) Regulations, 2015.
 - ii. **Board Meeting for consideration of audited results for the financial year** – Within sixty days from the end of last quarter, as stipulated under the SEBI (LODR) Regulations, 2015.
 - iii. **Annual General Meeting** – Within six months from the end of the financial year.
10. **The shares of the Company are listed on the following Stock Exchanges:**

National Stock Exchange of India Limited	Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051. NSE Code: BSOFT
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001. BSE Code: 532400
ISIN of the Company	INE836A01035

The Company has paid the Annual Listing Fees for the financial year 2020-21 to both the Stock Exchanges on which the shares of the Company are listed.

11. Shareholders are requested to send all share transfers and correspondence relating to shares, dividend, etc. to our Registrar & Transfer Agent at:

Link Intime India Private Limited, Contact Person: Mr. Sandip Pawar, Block No. 202, Akshay Complex, Off Dhole Patil Road, Near Ganesh Temple, Pune – 411001, Phone: +91-20-26161629, E-mail: pune@linkintime.co.in. You can also contact Ms. Sneha Padve – Company Secretary and Compliance Officer, Phone: +91-20-66525000 Extn. – 2133, Fax No.: +91-20-66525001, E-mail: sneha.padve@birlasoft.com, in case you need any further assistance. For any kind of grievance and for their speedy redressal, the shareholders may send their grievances to grievances@birlasoft.com.

12. Share transfer system:

The share transfer activities are carried out by our Registrar & Transfer Agent, the details of which are given above. The documents are received at their offices in Mumbai/ Pune. The share transfers are carried out within a period of fifteen days from the date of receipt of request for transfer, provided, all the documents received are in order.

13. Dematerialization of shares and liquidity:

As on March 31, 2020, 99.70% of the total issued share capital was held in electronic form with National Securities Depository Limited and Central Depository Services (India) Limited.

14. Suspension of Trading:

The securities of the Company were not suspended from trading on stock exchanges during the year under review.

15. Shares allotted during the financial year ended March 31, 2020:

Pursuant to the “Special Purpose Birlasoft Employee Stock Option Scheme – 2019” (“the Scheme”), 2,564,769 equity

shares of ₹ 2/- each were allotted during the year. The details of the same are mentioned below:

Table 15 – Details of allotment

Date	Description of Allottee	No. of Shares	Face Value (₹)
June 18, 2019	Allotment to Employees against ESOP	572,845	2/-
August 7, 2019	Allotment to Employees against ESOP	1,752,795	2/-
November 8, 2019	Allotment to Employees against ESOP	196,191	2/-
January 31, 2020	Allotment to Employees against ESOP	42,938	2/-
TOTAL		2,564,769	

16. Shareholding Pattern as on March 31, 2020:

Category	No. of shares held	% of total share capital
Promoters	112,945,785	40.82
Public	162,365,942	58.68
Mutual Funds	16,271,910	5.88
Foreign Portfolio Investors (Corporate)	74,976,218	27.10
Bodies Corporate	4,170,794	1.51
Non-Resident Indians	3,369,759	1.22
Others	6,357,261	22.98
Non-Promoter – Non-Public	1,396,850	0.50
TOTAL	276,708,577	100.00

17. As on March 31, 2020, the top ten shareholders of the Company were as under:

Sr. No.	Name of the Shareholder	No. of Shares held*	% of total paid-up share capital	Category
1	National Engineering Industries Limited	100,371,174	36.27	Promoter
2	IDFC Sterling Value Fund	10,097,253	3.65	Mutual Funds
3	Ashish Dhawan	10,000,000	3.61	Public
4	Ellipsis Partners LLC	7,028,230	2.54	Foreign Portfolio Investors (Corporate)
5	Ashish Kacholia	6,499,879	2.35	Public
6	L And T Mutual Fund Trustee Ltd-L And T Mid Cap Fund	6,105,000	2.21	Mutual Funds
7	Central India Industries Limited	5,169,511	1.87	Promoter
8	Bengal Finance & Investment Private Limited	5,000,000	1.81	NBFCs registered with RBI
9	New Horizon Opportunities Master Fund	4,999,000	1.81	Foreign Portfolio Investors (Corporate)
10	Acacia Partners, LP	4,800,000	1.73	Foreign Portfolio Investor (Corporate)
	TOTAL	160,070,047	57.85	

*Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

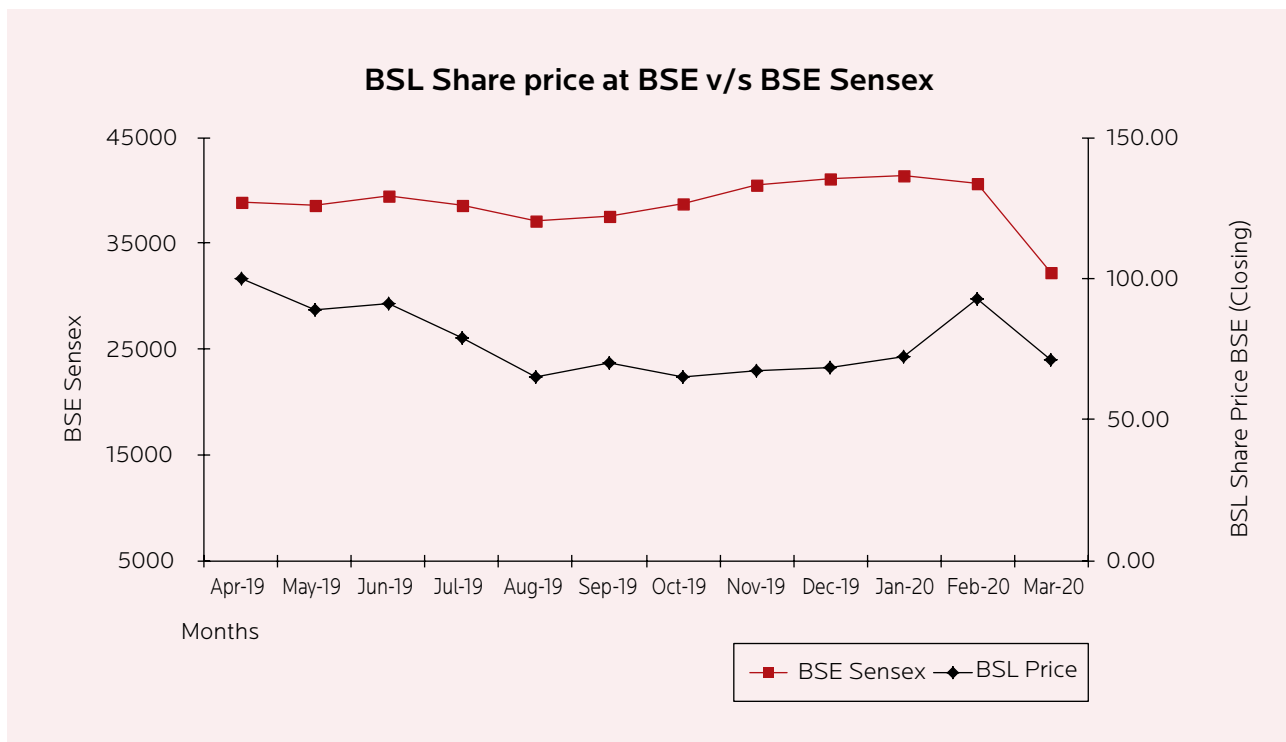
18. Distribution Schedule as on March 31, 2020:

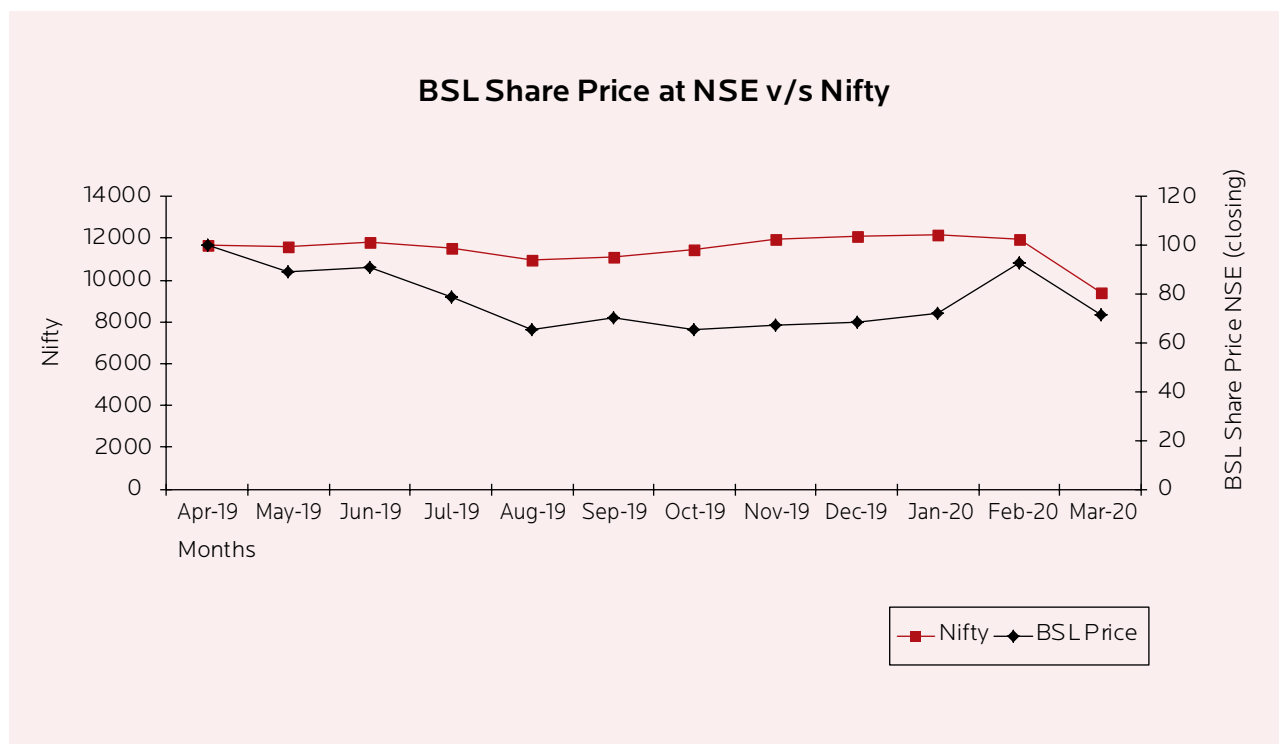
Quantity of Shares From – To	Shareholders		Face Value of shares held (₹)	%
	Number	%		
1 - 5,000	58,779	97.06	25,124,904	4.54
5,001 – 10,000	774	1.28	5,696,736	1.03
10,001 - 20,000	410	0.68	6,124,488	1.11
20,001 – 30,000	126	0.21	3,211,898	0.58
30,001 – 40,000	94	0.15	3,353,164	0.60
40,001 – 50,000	48	0.08	2,204,754	0.40
50,001 – 1,00,000	125	0.20	9,022,830	1.63
1,00,001 & above	205	0.34	498,678,380	90.11
TOTAL	60,561	100.00	553,417,154	100.00

19. Monthly high/low and average of the Company's share prices on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE):

Month	NSE				BSE				Total Volume
	High	Low	Average	Volume	High	Low	Average	Volume	NSE + BSE
Apr'19	105.35	92.90	99.83	15,685,134	104.90	93.05	99.88	812,493	16,497,627
May'19	100.00	80.15	88.85	24,941,105	100.30	80.30	88.89	1,353,465	26,294,570
Jun'19	96.40	86.00	91.09	15,313,331	96.50	86.00	91.08	810,296	16,123,627
Jul'19	93.00	68.60	78.98	32,776,834	92.95	68.65	79.02	2,750,674	35,527,508
Aug'19	76.70	57.50	65.31	31,944,104	76.50	57.40	65.37	2,128,058	34,072,162
Sep'19	76.65	62.50	70.28	18,842,361	76.75	62.55	70.24	1,521,582	20,363,943
Oct'19	73.35	58.30	65.24	8,058,647	74.00	58.25	65.26	689,244	8,747,891
Nov'19	76.00	61.10	67.41	8,831,479	75.20	61.20	67.38	617,808	9,449,287
Dec'19	73.20	64.80	68.21	8,574,954	72.45	64.75	68.24	631,095	9,206,049
Jan'20	84.65	69.10	72.37	18,467,651	84.60	69.20	72.38	1,317,508	19,785,159
Feb'20	105.80	78.45	92.84	53,589,658	105.85	78.85	92.86	4,251,494	57,841,152
Mar'20	99.75	46.70	71.47	19,584,446	99.75	47.60	71.48	1,588,361	21,172,807

20. Share performance chart of the Company in comparison to BSE Sensex and Nifty:





21. Details of dividend in the Unpaid/Unclaimed Dividend Accounts as on March 31, 2020:

(Amount in ₹ million)

Year	Balance	Date of completion of 7 years*	Due date for transfer of shares and amount to IEPF
For the financial year 2012-13 [#]	0.50	August 15, 2020	September 14, 2020
For the financial year 2013-14	1.45	August 28, 2021	September 27, 2021
For the financial year 2014-15	1.78	September 22, 2022	October 22, 2022
For the financial year 2015-16 (Interim)	0.69	May 4, 2023	June 3, 2023
For the financial year 2015-16	0.62	September 27, 2023	October 27, 2023
For the financial year 2016-17	1.19	September 26, 2024	October 26, 2024
For the financial year 2017-18	0.75	October 2, 2025	November 1, 2025
For the financial year 2018-19	0.66	September 10, 2026	October 9, 2026
For the financial year 2019-20 (Interim)	0.32	March 4, 2027	April 2, 2027

*As per Section 124 of the Act, any money transferred to the Unpaid Dividend Account of a Company in pursuance of this Section which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company along with interest accrued, if any, thereon to the Investor Education and Protection Fund ("IEPF"). In view of this provision, the members are requested to get their pending dividend warrants, if any, pertaining to the above financial years, encashed at the earliest. Members can send the unpaid dividend warrants to the Registrar & Transfer Agent of the Company for the purpose of revalidation/reissue.

[#]For the financial year 2012-13, the tentative corresponding number of shares liable to be transferred to the IEPF are 7,296 equity shares of ₹ 2/- each.

Please note that pursuant to Section 124(6), read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Amendment Rules, 2016 (“Rules”) as amended from time to time, shares in respect of such dividend will be transferred in the name of IEPF including all benefits accruing on such shares. The Company has sent out individual communication to members whose dividends remain unclaimed for seven years and published an advertisement in newspapers, inviting such members to claim their dividend.

Accordingly, during the year, the Company transferred an amount of ₹ 318,722/- being the unclaimed dividend pertaining to the financial year 2011-12 to the IEPF. Further, 20,182 corresponding shares were transferred to the IEPF Authority as required under the above referred Rules. The information in respect of such shares is uploaded on the website of the Company at <https://www.birlasoft.com/company/investors/policies-reports-filings>.

Members can claim back such dividend and shares including all benefits accruing on such shares from the IEPF Authority after following the procedure prescribed in the Rules.

22. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

23. Commodity price risk or foreign exchange risk and hedging activities:

During the year 2019-20, the Company has managed the foreign exchange risk and hedged to the extent considered necessary.

The global economic situation continues to remain volatile. Fluctuations in major currencies due to unstable economic conditions impact revenue and profits of the IT industry. This trend is expected to continue and further volatility is expected due to the unprecedented COVID-19 situation. The Company has in place a Hedging Policy to minimize the risks associated with foreign currency rate fluctuations. The Company enters into forward contracts for hedging foreign exchange exposures against receivable from its wholly owned subsidiaries and end customers.

The details of foreign currency exposure are disclosed in Note 29 of the notes forming part of the financial statements.

24. Unclaimed shares:

The details of the unclaimed shares of the Company are as follows:

Sr. No.	Particulars	No. of shareholders	No. of shares
(i)	Aggregate number of shareholders and the shares returned undelivered at the beginning of the year i.e. April 1, 2019	16	31,000
(ii)	Number of shareholders from (i) above, who approached the Company for transfer of shares during the year from April 1, 2019 to March 31, 2020	4	6,000
(iii)	Number of shareholders from (ii) above, to whom shares were transferred (partially) during the year from April 1, 2019 to March 31, 2020	4	4,000
(iv)	Aggregate number of shareholders and the shares from (i) above, which were transferred to the IEPF during the year from April 1, 2019 to March 31, 2020	1	2,000
(v)	Balance aggregate number of shareholders and the outstanding shares from (i) above, at the end of the year i.e. March 31, 2020 (Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares)	15	25,000
(vi)	Number of shares transferred to the IEPF authority during the year from April 1, 2019 to March 31, 2020 (including shares & shareholders in (iv) above)	61	20,182

25. Board members' profile:

A brief profile of the Board members is given below:

Mrs. Amita Birla is the Chairman of Birlasoft Limited and the Co-Chairman of the CK Birla Group. As Chairman, she leads long term strategy development and implementation in Birlasoft, and with her extensive experience she has successfully been leading companies across other industries. Her personal drive and leadership led to the transformation of Birlasoft from a fledgling startup to the global company that it is today, acknowledged as a differentiated Enterprise Digital IT Solution provider.

Mr. Chandrakant Birla is the Chairman of the CK Birla Group. The Group operates in three industry clusters: technology and automotive, home and building, and healthcare and education. He is a keen philanthropist who is committed to social development in India, the advancement of Science and Technology, Art and Culture.

Mr. Dharmander Kapoor is the Chief Executive Officer (CEO) & Managing Director of the Company. He has more than 29 years of experience in Leadership, Go-to-market Business Development, Enterprise IT delivery, Consulting/Transformation and Software Product Engineering. At Birlasoft, as the Chief Operating Officer, he managed its global operations, delivery, marketing and global business for BFSI, Europe and APAC. He is responsible for sustainable growth and margins. He has led the merger of Birlasoft (India) Limited with KPIT's IT services organization and is driving the integration and harmonization of the new organization for continued customer focus and growth. Mr. Kapoor is an executive with proven success and entrepreneurial leadership in growing businesses for information technology and solutions. He has been instrumental in shaping the new Birlasoft from being known as IT Service Provider for GE to an Enterprise Digital company. With his in-depth technical skills and impressive experience in consulting, he helped Birlasoft develop key IPs (3rdEye, ValueISM, Enterprise Digital, etc.) in delivering differentiated value to its clients. He is a regular speaker at industry events including Oracle OpenWorld, Dreamforce, NASSCOM, CIO Round Table, etc. and also enjoys publishing his thought leadership articles in various publications. He is known for his people and customer skills.

Mr. Anant Talaulicar holds a B.E. (Mechanical) degree from Mysore University, M.S. degree from the University of Michigan in Ann Arbor and a MBA from Tulane University, USA. Mr. Anant Talaulicar was a member of the Cummins Inc. global leadership team from August 2009 till October 2017, the Chairman and Managing Director of the Cummins Group in India from March 2004 through October 2017 and the President of the Cummins Inc. Components Group from 2010 through 2014. He has also served as the Managing Director of Tata Cummins Private Limited, a 50:50 joint venture between Cummins Inc. and Tata Motors Limited. He has chaired the boards of four other Cummins legal entities in India as well. He worked as a financial analyst, manufacturing engineer, project manager, product manager, strategy manager before taking various general management positions. Since 2004, Mr. Talaulicar has also led the Cummins India Foundation which has implemented sustainable community initiatives such as model villages and higher education. He has served as a member of the Confederation of Indian Industries, Society of Indian Automobile Manufacturers and Automobile Components Manufacturers Association in the past.

Ms. Alka Bharucha holds B.A. (Hons.), L.L.B (University of Bombay), L.L.M (University of London), Solicitor, High Court (Mumbai) and Supreme Court of England and Wales. She is a Member of the Bar Council of Maharashtra and Goa and the Bombay Incorporated Law Society. She is also an Advocate on Record, Supreme Court of India. Ms. Bharucha began her career with Mulla & Mulla & Craigie Blunt & Caroe and joined Amarchand & Mangaldas as partner in 1992. In 2008, she co-founded Bharucha & Partners which since inception has been ranked by RSG Consulting, London among the top law firms in India. For years, she has been ranked by Chambers Global, Legal 500 and Who's Who Legal, etc. amongst India's leading lawyers. Ms. Bharucha chairs the transactions practice at Bharucha & Partners. Her core areas of expertise are mergers and acquisitions, joint ventures, private equity, banking and finance. Her general corporate work includes the establishment of mutual funds and providing regulatory advice to foreign institutional investors, foreign venture capital investors, merchant bankers and other financial intermediaries. She has particular experience acting for financial services clients as well as those in the telecommunications, power and logistics sector and is also actively engaged in representing trans-national corporations for investments in retail, defense and manufacturing space.

Mr. Ashok Kumar Barat had a long and distinguished executive career in the corporate sector until his retirement in 2016, as the Managing Director and Chief Executive Officer of Forbes & Company Limited. He has held leadership positions in various Indian and multinational organizations, both in India and overseas - Hindustan Lever Limited, RPG Group, Pepsi, Electrolux, Telstra, and Heinz. Mr. Barat is a Fellow, Institute of Chartered Accountants of India, Fellow, Institute of Company Secretaries of India, and CPA (Australia). He has been an active contributor to public life and dialogue; Past President Bombay Chamber of Commerce and Industry, for several years a Trustee of the Mumbai Port Trust, and presently Member, Managing Committee of ASSOCHAM and President, Council of EU Chambers of Commerce in India. He is a Certified Mediator empaneled with the Ministry of Corporate Affairs, Government of India. Mr. Barat mentors budding entrepreneurs and advises companies on 'Strategy', 'Performance Improvement' and 'Governance Initiatives'. He is a Member of the Board of Directors of several companies.

Ms. Nandita Gurjar is a Technologist turned HR professional. Ms. Gurjar's experience in mainstream IT spans software development, general management and consulting. She started her career at Wipro InfoTech in 1992 as a software programmer and handled multiple technical responsibilities, in various functions like Software Coding and Testing, Program documentation and Quality. She joined Infosys Limited in December 1999 to form the Learning & Development wing and set-up the Leadership institute. In 2003, she moved to the newly setup subsidiary Infosys BPO (then called Progeon) to Head the HR function. In 2007, she took over as the Global Head HR for Infosys Group, managing over 150,000 employees. In this role she led the Infosys People strategy and Employer branding across its global footprint. She was appointed as a member of Executive Council in 2011 and moved to the US Headquarters to manage the globalization initiatives of the organization. In 2013, she moved to head the Education & Research wing of Infosys which skilled the workforce on latest technologies and over saw over 1 million days of training annually. In April 2014, Ms. Gurjar got selected for Advanced Management Program (AMP) at Harvard Business School. She went on a sabbatical from Infosys for 6 months to join the program and upon her return exited from the Company.

Ms. Gurjar was the member of World Economic Forum (WEF) – Global Advisory Council on New Models of Leadership. She is often invited to speak on HR strategy, work force management and business leadership. She has addressed several forums such as World Bank, Conference Board and Great Places to work, USA. She won the "Human Capital Business Leader" award from the Singapore Society of Human Resource Management and has also been featured as "25 Most Powerful Professional Women in India" in Business Today magazine.

Currently, Ms. Gurjar is an Advisor to Startups and is an Independent Director in both listed and unlisted companies. She is an Advisor to the Leadership Institute of SBI, India's largest bank and consults with organisations on HR strategies and execution.

Mr. Prasad Thrikutam has an exemplary record of business success in both large public companies and medium sized founder led private companies. He has 25+ years of experience as C-suite Executive in Consulting and technology service industry. He is currently Founder and CEO for Mol.ai.cule and on the Advisory Board of TrueNorth Managers LLP one of India's largest PE companies. He advises CEOs and BODs of companies across industries on their transformation leveraging AI and Digital. Mr. Thrikutam was the President and Global Head-Applications and Digital Business at Dell Services from 2014 to 2017. He was also the CTO responsible for strategy and business innovation for Dell across various business of Dell Technologies. He helped turn around the Dell services and helped in its sale at a 3+b valuation to NTT. Mr. Thrikutam joined Dell in 2014 from Infosys where he held various key leadership roles from 1995 to 2014. He worked alongside the founders to scale Infosys from a USD 27 million Company to a USD 10+b global brand. When he left Infosys, he was part of the C-suite and an executive committee member, he had multiple executive leadership responsibilities including - Head of Infosys Americas, Head of multiple vertical BUs globally, board member of multiple subsidiaries. Prior to that, he led the Energy, Utilities and Telco and high-tech & manufacturing BUs globally. His main expertise is in scaling medium sized business to large, highly differentiated and profitable business. He helped start several new businesses for Infosys and Dell including Consulting, Digital and new verticals like Retail, Oil & Gas, etc. each of these are today multiple billion \$

businesses for the Companies. He is a thought leader with unique ability to drive CEO level engagement and excels at connecting several business and technology trends to articulate a comprehensive and winning business strategy. He has demonstrated this in every one of his roles in the past 25+ years. He has a strong industry network across several technology and services firms globally; having led several vertical businesses. He understands the unique challenges and opportunities across Hi- Tech, manufacturing, Oil & Gas, utilities, transportation, health-care, insurance, hospitality and services industries. Throughout his career, he has built globally diverse high-performance teams. He enjoys identifying and nurturing future leaders and has mentored several leaders including CEOs in his role as a board member. From 2006-2014, Mr. Thrikutam served on several boards – this includes Infosys BPO (700+m), Infosys China (150+m) and Infosys Public Services (120+m); he also served on the Board of Energetics, a leading global energy business based in Houston.

VI. OTHER DISCLOSURES

A. Related Party Transactions

The Company has formulated a policy on materiality of related party transactions on dealing with related party transactions and the same has been uploaded on the Company's website at <https://www.birlasoft.com/company/investors/policies-reports-filings>. The related party transactions are placed before the Audit Committee and/or the Board on a quarterly basis for their approval/noting as the case may be. There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors, management, subsidiary or relatives except for those disclosed in the financial statements for the year ended March 31, 2020. Details of all material transactions with related parties have been disclosed quarterly to the Stock Exchanges along with the compliance report on corporate governance.

B. Details of non-compliance

During the last three years, there have been no penalties, strictures imposed on the Company by the Stock Exchanges and other statutory authorities, on any matter relating to capital markets.

C. Establishment of Vigil Mechanism and Whistle Blower Policy

In an effort to demonstrate the highest standards of transparency, the Company has adopted the 'Vigil Mechanism and Whistle Blower Policy', which has established a mechanism for employees to express and report their concerns to the management in a fearless manner about unethical behavior, fraud, violation of the code of conduct or ethics. This mechanism also provides for adequate safeguards against victimization of employees who avail this mechanism and also provide direct access to the Chairman and members of the Audit Committee in exceptional cases. This Policy has been uploaded on the website of the Company for effective circulation and implementation. The purpose of this Policy is to establish procedures for:

1. to allow the Directors and employees to raise concerns about unacceptable improper practices and/or any unethical practices and/or other genuine concerns being followed in the organization and to create awareness amongst employees to report instances of leak of unpublished price sensitive information;
2. to check that whenever any unacceptable/improper practice and/or any unethical practice and/or any instances of leak of unpublished price sensitive information and/or any other genuine concern is reported by a Director or an employee and proper action is taken for such reporting;
3. receipt, retention and treatment of complaints received by the Company regarding improper activities, financial or otherwise, in the Company; and
4. submission by Whistle Blower on a confidential and/or anonymous basis, of concerns regarding improper activities.

The purpose of this Policy is also to state clearly and unequivocally that the Company prohibits discrimination, harassment and/or retaliation against any Whistle Blower who:

1. raises concerns against improper activities; or
2. provides information or otherwise assists in an investigation or proceeding regarding improper activities.

The Policy also aims to protect any Whistle Blower who legitimately and in good faith raises concerns or provides information against improper activities.

Everyone in the Company is responsible for ensuring that the workplace is free from all forms of discrimination, harassment and retaliation prohibited by this Policy. No employee or Director of the Company has the authority to engage in any conduct prohibited by this Policy. It is also hereby confirmed that no personnel has been denied access to the Audit Committee.

D. Code of Conduct

The Company has adopted a Code of Conduct for its Board members, senior management and all employees and this Code has been posted on the Company's website. All the Board members and senior management personnel affirm compliance with the Code on an annual basis. The declaration of the CEO & Managing Director to this effect is provided in this Report.

E. Dividend Distribution Policy

Pursuant to the SEBI (LODR) Regulations, 2015, the Company has formulated a Dividend Policy to state the guiding principles of dividend declaration by the Company and the same has been uploaded on the website of the Company at <https://www.birlasoft.com/company/investors/policies-reports-filings>.

F. Policy for determination of Materiality of Event or Information

The Company has in place this policy for determination of Materiality of Event or Information which are required to be disclosed to the Stock Exchanges.

G. Code of Conduct of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("UPSI")

The Chief Investor Relations Officer deals with dissemination of information and disclosure of unpublished price sensitive information under the Policy.

H. Prohibition of Insider Trading

With a view to regulate trading in securities by the directors and designated persons, the Company has adopted a Code for Prohibition of Insider Trading

known as the Code To Regulate, Monitor And Report Trading By Designated Persons In Securities Of Birlasoft Limited.

I. Compliance with Mandatory Requirements

The Company has complied with the mandatory requirements of the SEBI (LODR) Regulations, 2015.

J. Compliance against Discretionary Requirements of the SEBI (LODR) Regulations, 2015

1. The Chairman of the Company is a Non-Executive Director and does not maintain the Chairman's office at the Company's expenses. Further, she is allowed reimbursement of expenses incurred in performance of her duties.
2. The Company prepares quarterly investor updates which covers operational details apart from financial details which are uploaded on the website of the Company and the Stock Exchanges. Copies of the same are being provided on request.
3. There were no qualifications by the Statutory Auditor on the financial statements of the Company.
4. The Internal Auditor presents the internal audit report to the Audit Committee.

K. Subsidiary Companies

As per the criteria given in Regulation 16 of the SEBI (LODR) Regulations, 2015, during the financial year 2019-20, the Company has 3 material subsidiaries, namely, Birlasoft Solutions Inc., Birlasoft Consulting Inc. and Birlasoft Inc.

Brief details of the Company's subsidiaries, including step-down subsidiaries, are given in the Board's Report.

Following are the key matters relating to subsidiaries which are regularly taken up in the Audit Committee/ Board meeting:

- Minutes of all the meetings of subsidiaries;
- Review of the financial statements, the investments made by the subsidiaries;
- Major dealings of subsidiaries' investment, fixed assets, loans, etc.;
- Statement of all significant transactions and arrangements;
- Compliances by subsidiaries with all applicable laws of that country.

The Company has formulated a policy for determining 'material subsidiaries' and the said policy has been uploaded on the Company's website at <https://www.birlasoft.com/company/investors/policies-reports-filings>.

L. Prevention of Sexual Harassment at Workplace

There were no complaints received during the year. The mechanism for prevention of Sexual Harassment at Workplace is given elsewhere in this Annual Report.

M. Disclosures of the compliance with Corporate Governance requirements

The Company has complied with the requirements as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (LODR) Regulations, 2015.

N. Fees to the Statutory Auditor

B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) have been appointed as the Statutory Auditor of the Company. The details of total fees for all services obtained in the year under review, by the listed entity and its subsidiaries, on a consolidated basis, from the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part is given below:

Particulars	Amount (in ₹ million)
Fees for audit and related services	12.50
Other fees	2.54
Out of pocket expenses reimbursed	1.39
Total	16.43

O. Management Discussion & Analysis

A detailed Management Discussion and Analysis is given as a separate section in this Annual Report. During the year, there have been no material financial and commercial transactions made by the management, where they had personal interest conflicting with the interest of the Company at large.

P. Disclosure of Accounting Treatment

The Company has adopted the prescribed accounting standards i.e. Indian Accounting Standards (Ind AS),

for preparation of financial statements during the year.

Q. Legal Compliance Reporting

The Company has installed an automated compliance tool which provides Statutory Compliance Report from various functions on PAN India basis for compliance with laws applicable to the respective functions. A consolidated report on compliance with applicable laws is presented to the Board every quarter. The Company is constantly striving to strengthen the reporting system to take care of the continuously evolving compliance scenario.

R. Reconciliation of Share Capital

As stipulated by the Securities and Exchange Board of India ("SEBI"), a Practising Company Secretary carries out the audit of Reconciliation of Share Capital and provides a report to reconcile the total admitted capital with the National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and the total issued and listed capital. This reconciliation is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board. The Audit, inter-alia, confirms that the total listed and paid-up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

S. CEO and CFO Certification

As required by Regulation 17(8) of the SEBI (LODR) Regulations, 2015, the CEO and CFO certificate to the Company's Board is annexed to this Report.

T. Certificate by a Practising Company Secretary

As required by Clause 10(i) mentioned in Part C of Schedule V of the SEBI (LODR) Regulations, 2015, a certificate has been received from Reshma Sarda-Vayase & Associates, Practising Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The same is annexed to this Report.

U. Disclosure regarding appointment or re-appointment of Directors

According to the provisions of the Act, at least two-third of the Non-Independent Directors are liable to retire by rotation. One-third of the Directors who are liable to retire by rotation, retire at every Annual General Meeting and, if eligible and willing, may be re-appointed by the members. In view of these provisions, Mr. Chandrakant Birla, being liable to retire, seeks re-appointment in the ensuing Annual General Meeting of the Company.

Mr. Anant Talaulicar and Ms. Alka Bharucha have been appointed as Independent Directors of the Company with effect from October 21, 2017, and May 23, 2018, respectively.

During the year, the appointment of Mrs. Amita Birla and Mr. Chandrakant Birla as Non-Executive Directors, and Mr. Ashok Kumar Barat, Ms. Nandita Gurjar & Mr. Prasad Thrikutam as Independent Directors was approved by the members in the Annual General Meeting held on August 7, 2019.

Mr. Dharminder Kapoor was appointed as the Chief Executive Officer & Managing Director with effect from June 1, 2019.

Further, Mr. Anjan Lahiri – Managing Director & Chief Executive Officer and Mr. Pawan Sharma – Whole-time Director of the Company, resigned due to their personal reasons, with effect from June 1, 2019.

During the year, Mr. Sachin Tikekar was appointed as a Nominee Director of KPIT Technologies Limited (formerly KPIT Engineering Limited) ("KPIT") with

effect from June 1, 2019. Pursuant to the falling away of the joint control of the KPIT Promoters over the Company, Mr. Sachin Tikekar resigned and accordingly ceased to be the Nominee Director of the Company, with effect from February 1, 2020.

V. COMPLIANCE

As required by Regulation 34(3) read with Schedule V of the SEBI (LODR) Regulations, 2015, the certificate on corporate governance issued by the Statutory Auditor is annexed to this Report.

Lastly, the Company has also made the necessary disclosures as required in sub-para (2) to (10) of Part C of Schedule V of the SEBI (LODR) Regulations, 2015.

W. Sustainability Report

The Company has prepared a Sustainability Report giving detailed information of the Company's efforts towards managing sustainable growth. The report can be accessed on the Company's website.

X. Business Responsibility Report

Pursuant to the provisions of Regulation 34 of the SEBI (LODR) Regulations, 2015, the Company has prepared a Business Responsibility Report and the same forms a part of this Annual Report.

Y. Secretarial Standards issued by the Institute of Company Secretaries of India

The Company complies with all applicable mandatory Secretarial Standards as issued by the Institute of Company Secretaries of India ("ICSI").

Declaration of the Chief Executive Officer & Managing Director

This is to certify that the Company has laid down code of conduct for all the Board members and senior management personnel of the Company and the same is uploaded on the website of the Company www.birlasoft.com.

Further, certified that the members of the Board of Directors and senior management personnel have affirmed the compliance

with the code applicable to them during the year ended March 31, 2020.

Place: Faridabad
Date: May 16, 2020

Dharminder Kapoor
CEO & Managing Director

Independent Auditors' certificate on Corporate Governance

To the Members of Birlasoft Limited (Erstwhile KPIT Technologies Limited)

This certificate is issued in accordance with the terms of our engagement letter dated 24th October 2019.

The accompanying Report on Corporate Governance of Birlasoft Limited (Erstwhile KPIT Technologies Limited) ("the Company") for the year ended 31 March 2020 contains details of the compliance of conditions stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), pursuant to the Listing Agreement of the Company with the Stock exchanges.

Management's Responsibility

The preparation of the Report on Corporate Governance is the responsibility of the Management of the Company.

Further, the compliance of conditions of Corporate Governance by the Company, as stipulated in the Listing Regulations, is the responsibility of the Company's Management, including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant for ensuring such compliance.

Management is also responsible for providing all relevant information to the Securities and Exchange Board of India.

Auditor's Responsibility

Pursuant to the requirements of the Listing Regulations, it is our responsibility to obtain reasonable assurance and form an opinion as to whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

We have examined the compliance of the conditions of Corporate Governance by the Company for the year ended 31 March 2020 as stipulated in the Listing Regulations. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We conducted our examination in accordance with the Guidance Note on Certification of Corporate Governance and the Guidance

Note on Reports or Certificates for Special Purposes (Revised 2016), both issued by the Institute of Chartered Accountants of India and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

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

Opinion

Based on our examination as above, in our opinion and to the best of our information and according to the explanations and representations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restrictions on Use

The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirements of the Listing Regulations and is not suited for any other purpose and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior written consent.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.101248W/W-100022

Swapnil Dakshindas
Partner

Date: 20 May 2020
Place: Pune

Membership Number: 113896
UDIN: 20113896AAAABE8796

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

I, Dharmander Kapoor – CEO & Managing Director of Birlasoft Limited (“the Company”), to the best of my knowledge and belief, certify that:

A. I have reviewed the Financial Statements (consolidated and standalone) and the Cash Flow Statements (consolidated and standalone) for the year April 1, 2019 to March 31, 2020 and to the best of my knowledge and belief:

- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (2) these statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year i.e. April 1, 2019 to March 31, 2020, which are fraudulent, illegal or violative of the Company’s Code of Conduct.

C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. I have indicated to the Auditors and the Audit Committee:

- (1) significant changes in internal control over financial reporting during the year i.e. April 1, 2019 to March 31, 2020;
- (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting.

Faridabad
May 16, 2020

Dharmander Kapoor
CEO & Managing Director

Note: Pursuant to Regulation 17(8), read with Schedule II, Part B of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, this compliance certificate is required to be certified by the Chief Executive Officer (“CEO”) as well as the Chief Financial Officer (“CFO”) of the Company. The Company does not have a CFO on the abovementioned date, hence, the same is certified only by the CEO of the Company.

Certificate of Non Disqualification of Directors

(Pursuant to Regulation 34(3) read with Schedule V Para-C sub clause (10) (i) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

To
The Members,
Birlasoft Limited,
35 & 36, Rajiv Gandhi Infotech Park,
Phase - I, MIDC, Hinjawadi,
Pune, 411057.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Birlasoft Limited (L72200PN1990PLC059594) (the “Company”)** having registered office at 35 & 36, Rajiv Gandhi Infotech Park, Phase - I, MIDC, Hinjawadi, Pune, MH 411057, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (SEBI) (Listing Obligations & Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers ; **I hereby confirm & certify that**, the directors of the Company as named below for the **Financial Year ending on March 31, 2020** have not been debarred or disqualified from being appointed or continuing as directors of the Company by SEBI, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Names of the present directors as on March 31, 2020.	DIN	Designations	Date of appointment in the Company.
1	Mrs. Amita Birla	00837718	Director	January 15, 2019
2	Mr. Chandrakant Birla	00118473	Director	January 15, 2019
3	Mr. Anant Talaulicar	00031051	Director	August 23, 2003
4	Ms. Alka Bharucha	00114067	Director	May 23, 2018
5	Mr. Ashok Kumar Barat	00492930	Director	January 15, 2019
6	Ms. Nandita Gurjar	01318683	Director	January 15, 2019
7	Mr. Prasad Thrikutam	06814004	Director	January 15, 2019
8	Mr. Dharmander Kapoor	08443715	Managing Director	June 1, 2019

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Reshma Sarda-Vayase & Associates.
Company Secretaries,

Sd/-

CS Reshma Sarda-Vayase
FCS-5754 CP-4388
UDIN: F005754B000244597

May 15, 2020
Pune (MH India)

birlasoft

CK BIRLA GROUP

BIRLASOFT LIMITED

(formerly KPIT Technologies Limited)

CIN: L72200PN1990PLC059594

Registered Office: 35 & 36, Rajiv Gandhi Infotech Park, Phase - I, MIDC, Hinjawadi, Pune – 411057, India.

Tel.: +91-20-6652 5000, Fax: +91-20-6652 5001, Email: contactus@birlasoft.com Website: www.birlasoft.com

Subject: Green Initiative in Corporate Governance - Members' consent to receive communication in electronic form

Dear Member,

Your Company is a firm believer in and has always been fostering green and inclusive growth. Co-innovation for green growth is now a quintessential part of your Company's values. Your Company has been taking major initiatives all along in green growth. The Company publishes its Annual Corporate Sustainability Report and is also taking the "Green Initiative in Corporate Governance" in accordance with the agenda promoted by the Ministry of Corporate Affairs ("the MCA").

Pursuant to the provisions of the Companies Act, 2013 and the relevant rules notified thereunder by the MCA, companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail IDs either with the Registrar and Transfer Agent or with their respective Depository Participants. It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow the members to contribute towards a greener environment. This is a golden opportunity for every member of the Company to contribute to the cause of "Green Initiative".

In view of the above, we propose to send you the member communications and documents like Annual Reports, Notices, etc. through electronic mode, in future. In order to facilitate electronic communication with you, we request you to register your e-mail IDs with your respective Depository Participants (for shares held in demat form) or with our Registrar and Transfer Agent - Link Intime India Private Limited at: pune@linkintime.co.in (for shares held in physical form). Alternatively, you may register your e-mail ID with the Company by writing an email to contactus@birlasoft.com with the subject line – "Green Initiative".

If you have already registered your e-mail ID, you are not required to re-register the same unless there is a change in your e-mail ID.

We believe that by subscribing to this green initiative, you will receive all the communications addressed to the members on time and you would also be contributing towards the protection of your environment.

We request your support for the "Green Initiative".

Thanking you,

For Birlasoft Limited

(formerly KPIT Technologies Limited)

Sneha Padve

Company Secretary

Membership Number: A9678

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company:**
L72200PN1990PLC059594
2. **Name of the Company:**
Birlasoft Limited (formerly KPIT Technologies Limited)
3. **Registered address:**
35 & 36, Rajiv Gandhi Infotech Park, Phase – I, MIDC, Hinjawadi, Pune – 411057.
4. **Website:** www.birlasoft.com
5. **E-mail ID:** contactus@birlasoft.com
6. **Financial year reported:** April 1, 2019 - March 31, 2020
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**
Computer programming, consultancy and related activity – Code 62011
8. **List of three key products/services that the Company manufactures/provides (as in balance sheet):**
 - a) Enterprise Resource Planning (ERP) Solutions;
 - b) Customer Relationship Management and Customer Experience Solutions; and
 - c) Digital Technologies.
9. **Total number of locations where business activity is undertaken by the Company:**

a) Number of international locations:

Sr. No.	Region	Country
1	USA	United States of America, Mexico, Canada, Brazil
2	Europe	United Kingdom, Netherlands, France, Germany, Sweden, Switzerland, Poland
3	APAC	United Arab Emirates, Singapore, Malaysia, South Korea, Australia

b) Number of National Locations:

- i. Pune, Maharashtra;
- ii. Noida, Uttar Pradesh;
- iii. Mumbai, Maharashtra;
- iv. Navi Mumbai, Maharashtra;
- v. Chennai, Tamil Nadu;
- vi. Bengaluru, Karnataka; and
- vii. Hyderabad, Telangana.

10. Markets served by the Company – Local/State/National/International:

The Company serves the Indian as well as international markets.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (₹)** – 553.42 million
2. **Total Turnover (₹)** – 14,621.64 million
3. **Total profit after taxes (₹)** - 1,407.54 million
4. **Total spending on Corporate Social Responsibility (“CSR”) as percentage of profit after tax (%) (₹)**–

The Company was required to spend ₹ 41.14 million towards Corporate Social Responsibility. During the year, the Company has spent and paid ₹ 41.91 million (Previous year ₹ 43.50 million) towards Corporate Social Responsibility through external agencies, in various activities as specified in Schedule VII of the Companies Act, 2013, read with the Rules thereunder, as direct spend for purposes other than construction/acquisition of any asset.

5. List of activities in which expenditure in 4 above has been incurred -

- a) Project Disha;
- b) Health Care;
- c) I-Pledge;
- d) Joy of Giving;
- e) Project Shodhan; and
- f) COVID-19 Relief Fund.

SECTION C: OTHER DETAILS

1. Does the Company have any subsidiary company/companies?

Yes, the Company has the following subsidiaries:

Sr. No.	Name of Subsidiary	Nature
1	Birlasoft Solutions Limited [formerly KPIT Infosystems Limited (UK)]	Subsidiary
2	Birlasoft Solutions France (formerly KPIT Technologies France)	Subsidiary
3	Birlasoft Solutions Inc. (formerly KPIT Infosystems Incorporated)	Subsidiary
4	Birlasoft Inc.	Subsidiary
5	Birlasoft Computer Corporation (formerly Systime Computer Corporation)	Subsidiary
6	Birlasoft Sdn. Bhd.	Subsidiary
7	Birlasoft Solutions ME FZE (formerly KPIT Infosystems ME FZE)	Subsidiary
8	Birlasoft (UK) Limited	Step-down subsidiary (Subsidiary of Birlasoft Inc.)
9	Birlasoft Solutions GmbH (formerly KPIT Solutions GmbH)	Step-down subsidiary (Subsidiary of Birlasoft Solutions Limited)
10	Birlasoft GmbH	Step-down subsidiary [Subsidiary of Birlasoft (UK) Limited]
11	Enablepath LLC	Step-down subsidiary (Subsidiary of Birlasoft Inc.)
12	Birlasoft Technologies Canada Corporation (formerly KPIT Technologies Corporation)	Step-down subsidiary (Subsidiary of Birlasoft Computer Corporation)
13	Birlasoft Solutions Ltda. (formerly KPIT Technologies Soluções em Informática Ltda.)	Step-down subsidiary (Subsidiary of Birlasoft Solutions Inc.)

Sr. No.	Name of Subsidiary	Nature
14	Birlasoft Consulting Inc. (formerly Sparta Consulting Inc.)	Step-down subsidiary (Subsidiary of Birlasoft Solutions Inc.)
15	Birlasoft Solutions Mexico S.A. DE C.V. (formerly KPIT Infosystems Mexico S.A. DE C.V.)	Step-down subsidiary (Subsidiary of Birlasoft Solutions Inc.)

2. Do the subsidiary company/companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).

Yes, two subsidiaries take up BR initiatives in line with the initiatives of the parent company and these are primarily based around the corporate BR to ensure alignment and consistency in approach. These cover CSR activities, Employee Welfare activities and also awareness on POSH Policy.

3. Do any other entity/entities (e.g. suppliers, distributors, etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%].

Yes, it is less than 30%.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR:

a) Details of the Director/Directors responsible for implementation of the BR policy/policies:

No.	Particulars	Details
1	DIN	08443715
2	Name	Mr. Dharmander Kapoor
3	Designation	CEO & Managing Director

b) Details of the BR head:

No.	Particulars	Details
1	DIN	08443715
2	Name	Mr. Dharmander Kapoor
3	Designation	CEO & Managing Director
4	Telephone number	+91-20-66525000
5	E-mail ID	contactus@birlasoft.com

2. Principle-wise (as per NVGs) BR Policy/policies:

a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify. These policies have been devised in confirmation to respective regulations/national standards that come into effect from time to time (like ISO 9001, ISO 14000, OHSAS 18000, OHSAS 27001:2005, ISO 20000:2011, ISO 22301:2012). These policies are revisited on regular basis and are updated as and when there is any change in the norms.	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director? These policies are signed by the respective owners.	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online.	Code of conduct & Vigil Mechanism and Whistle Blower Policy	Available on our intranet	Available on our intranet	CSR policy	POSH & Vigil Mechanism and Whistle Blower Policy	Available on our intranet	Available on our intranet	CSR Policy	Code of conduct
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why:

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

Not Applicable

c) Governance related to BR

a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year:

Some of the activities such as CSR are assessed half-yearly and others are assessed annually.

b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company publishes the 'Annual Corporate Sustainability Report'. The same is available on <https://www.birlasoft.com/company/investors/policies-reports-filings>.

3. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During the year, 1 (one) complaint was registered with the Securities and Exchange Board of India ("SEBI"). The complaint was received during the second quarter of the financial year and related to the shares of the resulting company. This complaint was satisfactorily resolved in the said quarter.

The Company's Code of Conduct outlines and creates a set of values for all concerned people to behave in an ethical manner while working for and on behalf of the Company. It takes into account factors like regulatory compliance, equal employment opportunity, non-harassment & prevention of sexual harassment, prevention of use of alcohol, illegal drug or medication, use of the Company's, Customers' and Suppliers' resources and competition.

It is applicable to all Directors and employees (all Birlasoft managers and employees, including managers and employees of its divisions, subsidiaries and other affiliates worldwide, as well as agents and contractors working on behalf of the Company, its subsidiaries and affiliates).

Prevention of Sexual Harassment ("POSH") policy: The policy framework aims at educating employees on any sort of harassment (including sexual harassment) and report

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the Company?

No, it also covers the Subsidiary companies.

2. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The policy covers employees of the Company as well as its subsidiaries, contractual service providers, contractors, customers & other third parties dealing with the Company.

about it appropriately when seen or experienced at the workplace. All the cases are acted upon immediately and corrective actions are taken. E-learning on POSH has been mandated for all employees.

Principle 2

1. List of upto 3 products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is in the business of software development services and products. Hence, these products do not attract social or environmental concerns, risks and/or opportunities.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (optional):

a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company is in the business of software development services and products. Therefore, these products require minimal usage of energy, water, raw material, etc.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Sustainable sourcing at the Company represents contribution to the following areas namely: Solar Energy, Waste Management, Environment Awareness and Occupational Health & Safety.

Solar Energy: Solar Panel Installation

The Company has initiated many projects to cut down energy and water consumption. The project executed at the Company's Registered & Corporate Office situated in Pune, is to generate energy through solar power plant which has been installed on roof top of cafeteria as well as on terrace.

Highlights of the project:

- Solar system is installed on power purchase model.

- System has 397 panels installed with a generation capacity of 125kW.
- Total units generated through this plant will be 180,000 units p.a.
- These units will save up to 5% of total consumption of SDB-I.
- This installation will reduce the impact of direct sunlight on the roof top of cafeteria. The floors below will be much cooler and employees will get more comfort during summers.
- This system is directly connected to the main LT panel feeder, so we will get benefit in reducing the MSEDCL kWh units.
- These units will have a fixed rate for next 15 years resulting in a saving of almost ₹ 6 lakhs p.a. with existing rate of MSEDCL.

Waste Management:

Being an IT company, there are no significant primary emissions or process wastes. Due to the nature of our business, waste generation is limited and restricted primarily to Municipal Solid Waste ("MSW"). Other wastes include e-waste and a small proportion of hazardous waste like waste lube oil, etc. Our waste management practice seeks to reduce the environmental impact of this limited waste to the maximum extent possible by reduction in generation and segregation at source.

We continuously encourage the employees to reduce food waste through awareness posters, daily food waste generation communication. Daily food waste is monitored and the quantity being wasted is published to all employees on a daily basis.

E-waste Management:

Being an IT company, the Company generates e-waste like laptops, computers, monitors, servers, etc. Apart from this we also generate electrical waste like wires, switches, lamps, etc. The Company's waste management procedure is the defining guideline for handling all types of waste and complying with the Government and Maharashtra Pollution Control Board ("MPCB") norms.

In the financial year 2019-20, e-waste has been disposed-off through the MPCB authorized handler/recycler.

Hazardous Waste:

Hazardous waste is disposed through authorized agencies as per the guidelines of Ministry of Environment, Forests and Climate Change ("MoEFCC"). Additionally, all the used printer cartridges are sent back to the manufacturer under "Planet HP Take Back Program" to ensure proper recycling.

Occupational Health and Safety Assessment Series ("OHSAS"):

The Company has always considered its employees as the most valuable asset of the organization. Towards this end, the Company constantly undertakes initiatives to ensure the safety and well-being of its employees at workplace.

The Company engages its employee and third-party vendors in various EOHS initiatives held in the organization. The hazard identification and risk assessment are carried out in consultation with relevant stakeholders, employees and third party vendors. The implemented controls are monitored and evaluated regularly to ensure employee safety all the time at workplace.

Few of the activities performed towards occupational health and employee safety:

- Floor meeting by Nutritionist;
- OHSAS awareness Floor Walks;
- Periodic Evacuation Drills;
- Quarterly EOHS Newsletters; and
- E-learning module on EOHS for all employees.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Yes.

a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company through its Corporate Social Responsibility activities contributes to the society through its projects named as:

DISHA: Co-scholastic development of kids and infrastructural development of government schools;

SHODHAN: Zero crop residue burning in the villages of Punjab; and

e-VIDYA: Skill development in women for better tomorrow.

We also give priority to dealing with many MSME Suppliers which is "The Micro, Small & Medium Enterprises Suppliers", which helps in improving their capacity and capability.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.

The Company has taken the following initiatives to recycle products and waste:

- 60% of the water being used at the Company's Registered & Corporate Office situated in Pune, is treated through sewage treatment plant and is recycled and used for gardening purpose.
- Biodegradable waste such as paper, plastic, cardboard, steel, other metal, etc. are sent for recycling through authorized vendor.
- Municipal solid waste is sent through authorized vendor. Hazardous and e-waste generated in organization is disposed through government authorized recycler.

Principle 3

1. Please indicate the total number of employees.

10,268.

2. Please indicate the total number of employees hired on temporary/contractual/casual basis.

722 (i.e. 7.03 %) of employees are hired through contractors and sub-contractors.

3. Please indicate the number of permanent women employees.

2,142 (i.e. 20.86 %) are permanent women employees.

4. Please indicate the number of permanent employees with disabilities.

Less than 1%.

5. Do you have an employee association that is recognized by management?

No.

6. What percentage of your permanent employees are members of this recognized employee association?

Not applicable.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

There were no complaints received relating to child labour, forced labour, involuntary labour and sexual harassment during the year and pending, as on the end of the financial year.

8. What percentage of above-mentioned employees were given safety & skill upgradation training in the last year?

As a process, we provide Information Security ("InfoSec."), POSH & fire safety trainings to all the employees. Further, InfoSec. & POSH trainings are mandatory for all the new joiners as a part of Day-1 Induction & fire safety training is conducted on a quarterly basis.

Principle 4

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes. The Company has mapped its internal and external stakeholders and their mode of engagement is as below:

Stakeholders	Mode of engagement
Government and regulatory authorities	Industry body/forums
Employees	Newsletters, employee satisfaction survey and various trainings, rewards and recognitions, meeting with eminent personalities and team building activities
Local community	CSR activities
Investors and shareholders	Analyst calls, AGM and annual report
Bankers, customers & vendors	Visits

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

We believe in giving back to the society where we live, work and play. Keeping this ideology as the foundation of our 'Community initiatives' program, **Birlasoft has identified two key themes for improvement and upliftment of the society we serve**, namely:

- **Environment sustainability:** Maintaining air, water and soil quality, conservation of natural resource and ecological balance.
- **Women & child development:** Education, health and hygiene, scholastic development of children from socio-economic backward group, empowerment and enablement of women through education, good health and skills development.

Under these thematic areas we have community initiatives for the farmers of Punjab and Haryana (Program Name: SHODHAN), education and health for children, undergraduates and graduates (Project Name: DISHA) and skill development of women (Project Name: e-VIDYA).

Principle 5

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The policies not only cover employees but also contractors, clients and others.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaints were received relating to human rights during the year.

Principle 6

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?

The Policy covers only the activities undertaken at the Company level but does not extend to the Group, Joint Ventures, suppliers, contractors, NGOs and others.

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

No.

3. Does the Company identify and assess potential environmental risks?

Yes, the Company has identified the potential environmental risks.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

No.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page, etc.

Yes, please refer Questions 1, 2, 3 & 5 of Principle 2 of this Report.

The same is available on <https://www.birlasoft.com/company/investors/policies-reports-filings>.

6. Are the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

The emissions and the waste generated at the Company's Registered & Corporate Office situated in Pune, is under the permissible limits of the Maharashtra Pollution Control Board ("MPCB"). We have a continuous monitoring and tracking system in place which is reviewed periodically.

The Company's environmental policy is designed as per the requirement of ISO standard 14001:2015.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.

No. We have not received any show cause/legal notice from the MPCB for financial year 2019-20.

Principle 7

1. Is your Company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:

Yes, as follows:

- a. Maharashtra Chamber of Commerce, Industries and Agriculture (MCCIA);

- b. National Association of Software and Services Companies (NASSCOM); and

- c. Hinjawadi Industries Association (HIA).

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others).

No.

Principle 8

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes, please refer Question 4 of Principle 2 and Question 3 of Principle 4 of this Report.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

All our projects are undertaken by external NGOs and Foundation. We have partners in list CII Foundation, Smile Foundation, Youth for Seva, Seva Sahyog, Sense India, who are expert in their sectors and implement the project as per timelines and framework. They have robust monitoring and evaluation system & specialized in timely documentation. We periodically have review meetings with the implementation partners to review the performance and milestones of the projects. All empaneled vendors undergo third party due diligence process prior alliance and reviewed periodically. Some of the activities in the projects are driven by our employees also to encourage engagement, volunteerism and individual social responsibility.

3. Have you done any impact assessment of your initiative?

Every activity/initiative undertaken by the Company is assessed and its impact to the society is published in the Annual Report and the Sustainability Report.

4. What is your Company's direct contribution to community development projects - Amount in ₹ and the details of the projects undertaken?

For details please refer the relevant Annexure of the Board's Report relating to Corporate Social Responsibility Activities which forms a part of this Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.

The framework of our projects is based on a concept "Create, Collaborate, Change and Consistent". Birlasoft believes in the concept of 'Sustainable Development' and seeks to make a positive and sustainable impact to the society through its social programs. Birlasoft further aims to create need based community development model in collaboration with all our stakeholders.

We regularly have discussions, trainings, workshops with the targeted beneficiaries to bring in inclusion which supports adoption of change. We make sure our team of volunteers and implementation partner's availability during the implementation. We have mechanism in place to drive the quantifiable outcome and impact of our community initiatives to motivate the community. We have created role models from the year 1 and 2 of our project to propagate the initiative and interventions at broader scale and in some of the projects we have increased the coverage and impact manifold. Also, we work on PPP (Public Private Partnership) model for broader impact.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

The customer complaints are technology specific and are resolved at the delivery of the software and before contract closure. There are no customer complaints that are material in nature.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information).

Since, the Company is in the business of software solutions, this requirement does not strictly apply to the Company.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

There is no unfair trade practices, irresponsible advertising and/or anti-competitive behavior case pending against the Company.

4. Did your Company carry out any consumer survey/consumer satisfaction trends?

At Birlasoft, we take pride in keeping our customers happy. For understanding our customer's perception of our deliverables, we have a VOC process which is driven at two levels i.e. Project and Engagement with a defined frequency of six months. Through this process, we capture customer's verbatim feedback which is analyzed to draw action points that are tracked to closure so that the VOC rating is improved over time. Best practices from Projects and Engagements receiving high VOC score is shared with Senior Management and Delivery leaders. Root cause analysis along with action plan for low VOC score is also shared with Higher Management and Delivery leaders to ensure timely and an appropriate corrective action is taken.

Customer satisfaction is determined by Project VOC rating which is from 1 to 5 and WOW (rating 1 being for dissatisfied and WOW being above 5 rating where Customer is delighted with Delivery which is beyond expectation). For the Engagement, VOC rating is from 1 to 10 (rating 1-6 is Detractor, 7-8 is Neutral & 9-10 is Promoters).

As per the performance of last cycle, 94% customers have rated us either very satisfied or satisfied.

Independent Auditors' Report

To
To the Members of
Birlasoft Limited (Erstwhile KPIT Technologies Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Birlasoft Limited (Erstwhile KPIT Technologies Limited) ("the Company"), which comprise the standalone balance sheet as at 31 March 2020, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the 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 ("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 31 March 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 standalone 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 opinion on the Standalone financial statements.

Emphasis of Matter

We draw attention to note 45(2) to the standalone financial statements for the year ended 31 March 2020, relating to the Managerial Remuneration paid/ accrued by the Company for the year then ended which exceeds the limits prescribed under section 197 of the Companies Act, 2013 by ₹ 47.31 million and hence, is subject to approval of the shareholders in the General Meeting.

Our opinion is not modified in respect of this matter.

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 of the current period. 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.

Description of Key Audit Matter

Revenue recognition in respect of fixed price contracts (See note 1.2 and 32 to the standalone financial statements)

The key audit matter	How the matter was addressed in our audit
The Company engages into fixed-price contracts with customers. In respect of fixed-price contracts other than maintenance and support service contracts, revenue is recognized using percentage of completion computed as per the input method. This is based on the Company's estimate of contract costs and efforts for completion of contract. Provision	Our audit procedures in this area included the following: <ul style="list-style-type: none">Obtaining an understanding of the systems, processes and controls implemented by the Company and evaluating the design and implementation of internal controls for measuring and recording revenue and the associated contract assets and unearned revenue.

The key audit matter	How the matter was addressed in our audit
<p>for estimated losses on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.</p> <p>Contract estimates are formed by the Company considering the following:</p> <ul style="list-style-type: none"> • Application of the revenue recognition accounting standard is complex. It involves a number of key judgements and estimates. One of the key estimate is total cost-to-completion of these contracts. It is used to determine the percentage of completion of the relevant performance obligation. • There is judgement involved in identification of distinct performance obligations and determination of transaction price for such performance obligations. • COVID 19 pandemic may impact the total revenue and costs to complete the contracts. In some cases, Company's contract interests are adequately protected. In other cases, there may be possible significant risks though the Company is cautious of them. • These contracts may involve onerous obligations on the Company requiring critical estimates to be made. • Contracts are subject to modification to account for changes in contract specification and requirements. • At year-end a significant amount of work in progress (Contract assets and liabilities) related to these contracts is recognised on the balance sheet representing the work completed, costs incurred and accrued. <p>Considering the significant estimate involved in recognition of revenue based on percentage of completion method in respect of fixed price contracts, we have considered this as key audit matter.</p>	<ul style="list-style-type: none"> • Testing the design and operating effectiveness of key IT controls over IT environment in which the business systems operate. This includes access controls, program change controls, program development controls and IT operation controls; • For selected samples of contracts, we inspected the terms of the contract and assessed the revenue recognized in accordance with Ind AS by: <ul style="list-style-type: none"> ➤ Evaluating the identification of performance obligations. ➤ Agreeing the transaction price to the underlying contracts. ➤ Inspecting the approval of the estimates of cost to complete. ➤ Evaluating the impact of COVID 19 pandemic on the total revenue and the cost to complete the contract. ➤ Challenging the Company's estimate of contract cost through a retrospective comparison of costs incurred with budgeted costs. Identifying significant variations and testing variations resulting into re-estimating the remaining costs to complete the contract. ➤ Assessing the work in progress (contract assets) on the balance sheet date by inspecting the underlying invoices and signed agreements on sample basis to identify possible delays in achieving milestones. Those may require change in estimated costs to complete the remaining performance obligations. ➤ Comparing, on a sample basis, revenue transactions recorded during the year with the underlying contracts, actual costs incurred, and invoices raised on customers. Also, checked the related revenue, contract costs, provision for onerous contracts, contract assets and unearned revenue had been recognised in accordance with the requirements of Ind AS 115. ➤ Performing analytical procedures on incurred and estimated contract costs or efforts. It includes assessment of contracts with unusual or negative margins, little or no movement in efforts from previous periods. We also performed analytical procedures on contract assets with little or no movement in invoicing from previous periods.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are 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 state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows 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. 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 design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring 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, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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 in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 standalone 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 of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows 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 Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 as at 31 March 2020 on its financial position in its standalone financial statements - Refer Note 40 (2) to the standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts- Refer Note 23 to the standalone financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16):
- a) We draw attention to note 45(2) to the standalone financial statements for the year ended 31 March 2020, relating to the Managerial Remuneration

paid/ accrued by the Company for the year then ended which exceeds the limits prescribed under section 197 of the Companies Act, 2013 by ₹ 47.31 million and hence, is subject to approval of the shareholders in the General Meeting.

Our opinion is not modified in respect of this matter.

- b) The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.101248W/W-100022

Swapnil Dakshindas

Partner

Place: Pune

Date: 20 May 2020

Membership No. 113896

UDIN: 20113896AAAABF9189

Annexure A to the Independent Auditors' report on the standalone financial statements of Birlasoft Limited (Erstwhile KPIT Technologies Limited) for the year ended 31 March 2020

With reference to the Annexure referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2020 we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets by which its fixed assets are verified in a phased manner of three years. Pursuant to the program the management has not carried out a physical verification of its fixed assets during the year ended 31 March 2020. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds of immovable properties are held in the name of the Company.
- (ii) The Company is a service company primarily engaged in providing information technology and related services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3 (ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) (a), (b) and (c) of the Order is not applicable to the Company.

- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loan, guarantee or security or made any investment covered under section 185 or section 186 of the Act during the year.
- (v) As per the information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of sections 73 to 76 of the Act and the rules made thereunder. Accordingly, the provisions of paragraph 3(v) of the Order are not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' State Insurance, Income tax, Goods and Services Tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income tax, Goods and Services Tax, cess and other material statutory dues were in arrears as at 31 March 2020, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us there are no dues of Income tax, Sales tax, Service tax, Value Added Tax or Goods and Service Tax, which have not been deposited by the Company on account of disputes except for the following:

Name of the Statute	Nature of Dues	Forum where the dispute is pending	Period to which the amount relates	Amount demanded ₹ million	Amount paid under protest ₹ Million
Income Tax Act, 1961	Income Tax	Delhi High Court	2004 - 2015	601.96	-
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	2008 - 2012	7.82	-
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax	2007 - 2008 and 2011 - 2012	59.65	-
Income Tax Act, 1961	Income Tax	Assistant Commissioner of Income Tax	2012 - 13	112.57	1.04
Finance Act, 1994	Service Tax	Supreme Court	October 2006 - March 2014	469.65	0.16
Finance Act, 1994	Service Tax	Bombay High Court	2007 - 2008	28.60	-
Finance Act, 1994	Service Tax	Central Excise and Service Tax Appellate Tribunal	April 2014 to March 2015	182.41	-
Central Sales Tax Act 1956	Sales Tax	Deputy Commissioner of Sales Tax	2012 - 2013	0.21	13.68
Central Sales Tax Act 1956	Sales Tax	Assistant Commissioner of Sales Tax	2008 - 2009	0.40	0.02

(viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Accordingly, reporting under paragraph 3 (viii) of the Order is not applicable to the Company.

(ix) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors, including Managing Director and Whole Time Director, during the current year is in accordance with the provisions of Section 197 of the Act

except to the extent it relates to the value of perquisites in the form of Employee Stock Options exercised by the former Managing Director and Chief Executive Officer of the Company which has resulted in the remuneration being excess by ₹ 47.31 million vis-a-vis the limits prescribed by the Act. The Company is in the process of obtaining approval from its shareholders at the forthcoming Annual General Meeting for the aforesaid perquisite in accordance with the requirements of the Companies Act, 2013.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as per the Act. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of the Act and the details, as required by the applicable accounting standards have been disclosed in the standalone financial statements.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partially convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to

be registered under section 45-IA of the Reserve Bank of India, 1934.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.101248W/W-100022

Swapnil Dakshindas

Partner

Membership No. 113896

UDIN: 20113896AAAABF9189

Place: Pune

Date: 20 May 2020

Annexure B to the Independent Auditors' report on the standalone financial statements of Birlasoft Limited (Erstwhile KPIT Technologies Limited) for the year ended 31 March 2020

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

Referred to in paragraph 2 (A) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date.

Opinion

We have audited the internal financial controls with reference to financial statements of Birlasoft Limited (Erstwhile KPIT Technologies Limited) ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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 were operating effectively as at 31 March 2020, based on the internal financial controls with reference to standalone financial statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to

the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 financial statements were established and maintained and whether 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 standalone 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 standalone financial statements.

Meaning of Internal Financial controls with Reference to 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 standalone 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 standalone 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 standalone 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 controls 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.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.101248W/W-100022

Swapnil Dakshindas

Partner

Place: Pune

Date: 20 May 2020

Membership No. 113896

UDIN: 20113896AAAABF9189

Balance Sheet

as at 31 March 2020

(Amount in ₹ million)

	Note	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
ASSETS			
Non-current assets			
Property, plant and equipment	2A	1,348.65	1,381.18
Capital work-in-progress		23.50	-
Right-of-use assets	2B	1,225.80	-
Other intangible assets	2C	160.12	166.86
Financial assets			
Investment	3	3,663.34	3,663.34
Loans	4	134.94	88.20
Other financial assets	5	31.92	72.06
Income tax assets (net)		538.75	450.93
Deferred tax assets (net)	6	747.65	1,098.89
Other non-current assets	7	49.50	51.14
		7,924.17	6,972.60
Current assets			
Financial assets			
Investments	8	330.02	1,908.97
Trade receivables	9	3,923.15	3,728.11
Cash and cash equivalents	10	1,337.13	820.01
Other balances with banks	10	1,805.40	154.74
Loans	11	112.15	85.57
Unbilled revenue	32(b)	363.94	439.27
Other financial assets	12	188.43	1,829.76
Other current assets	13	740.72	699.11
		8,800.94	9,665.54
TOTAL ASSETS		16,725.11	16,638.14
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	553.42	548.29
Other equity	30	11,562.30	11,294.04
		12,115.72	11,842.33
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	15	1,045.08	-
Provisions	16	361.50	294.56
Other non-current liabilities	17	-	56.08
		1,406.58	350.64
Current liabilities			
Financial liabilities			
Borrowings	18	-	381.12
Lease liabilities	19	232.07	-
Trade payables	20		
Outstanding dues of micro enterprises and small enterprises		4.34	10.51
Outstanding dues of creditors other than micro enterprises and small enterprises		768.63	1,148.43
Other financial liabilities	21	1,114.56	2,080.73
Other current liabilities	22	786.94	504.74
Provisions	23	85.70	50.85
Income tax liabilities (net)		210.57	268.79
		3,202.81	4,445.17
TOTAL EQUITY AND LIABILITIES		16,725.11	16,638.14
Significant accounting policies	1		
Notes referred to above form an integral part of the standalone financial statements	2 - 45		

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number :101248W/W-100022

Swapnil Dakshindas

Partner

Membership No. 113896

Place: Pune

Date: 20 May 2020

**For and on behalf of the Board of Directors of
BIRLASOFT LIMITED (Erstwhile KPIT Technologies Limited)**
CIN: L72200PN1990PLC059594

Dharmender Kapoor
CEO & Managing Director
DIN: 08443715
Place: Faridabad
Date: 20 May 2020

Amita Birla
Chairman
DIN: 00837718
Place: New Delhi
Date: 20 May 2020

Sneha Padve
Company Secretary
Place: Pune
Date: 20 May 2020

Statement of Profit and Loss for the year ended on 31 March 2020

(Amount in ₹ million)

	Note	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Continuing Operations			
Revenue from operations	24	14,621.64	10,019.87
Other income (net)	25	349.51	248.90
Total income		14,971.15	10,268.77
Expenses			
Employee benefits expense	26	9,434.95	6,275.01
Finance costs	27	123.46	53.84
Depreciation and amortization expense	2(i)	692.62	390.23
Other expenses	28	2,491.44	2,099.11
Total expenses		12,742.47	8,818.19
Profit before tax		2,228.68	1,450.58
Tax expense	42		
Current tax		729.49	528.42
Deferred tax (benefit)/charge		91.65	(136.85)
Total tax expense		821.14	391.57
Profit for the year from continuing operations		1,407.54	1,059.01
Profit from discontinued operations before tax	44	-	733.98
Tax expenses of discontinued operations	44	-	116.65
Profit from discontinued operations after tax		-	617.33
Profit for the year		1,407.54	1,676.34
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		(42.02)	(13.03)
Income tax on items that will not be reclassified to profit or loss		14.68	3.53
Items that will be reclassified to profit or loss			
Effective portion of gains / (losses) on hedging instruments in cash flow hedges		(329.84)	66.15
Income tax on items that will be reclassified to profit or loss		114.66	(22.47)
Total other comprehensive income		(242.52)	34.18
Total comprehensive income for the year		1,165.02	1,710.52
Earnings per equity share for continuing operations (face value per share ₹ 2 each)			
Basic	39	5.09	4.95
Diluted	39	5.05	4.89
Earnings per equity share for discontinued operations (face value per share ₹ 2 each)			
Basic	39	-	2.88
Diluted	39	-	2.85
Earnings per equity share for continuing and discontinued operations (face value per share ₹ 2 each)			
Basic	39	5.09	7.83
Diluted	39	5.05	7.74
Significant accounting policies	1		
Notes referred to above form an integral part of the standalone financial statements	2 - 45		

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number :101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896
Place: Pune
Date: 20 May 2020

**For and on behalf of the Board of Directors of
BIRLASOFT LIMITED (Erstwhile KPIT Technologies Limited)**
CIN: L72200PN1990PLC059594

Dharmander Kapoor
CEO & Managing Director
DIN: 08443715
Place: Faridabad
Date: 20 May 2020

Amita Birla
Chairman
DIN: 00837718
Place: New Delhi
Date: 20 May 2020

Sneha Padve
Company Secretary
Place: Pune
Date: 20 May 2020

Statement of cash flows for the year ended on 31 March 2020

(Amount in ₹ million)

PARTICULARS	31 March 2020	31 March 2019
A] CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	1,407.54	1,676.34
Adjustments for		
Income tax expense	821.14	508.22
(Profit)/Loss on sale of property, plant and equipment and intangible assets (net)	0.31	0.13
Depreciation / Amortization	692.62	878.41
Interest expense	123.46	122.20
Interest income	(96.94)	(163.23)
Dividend income	-	(52.76)
Gain on sale/redemption of mutual funds	(80.54)	(110.11)
Fair value loss on financial assets (investments) at fair value through profit or loss	16.96	70.23
Unrealised foreign exchange loss/(gain)	(160.55)	96.21
Provision for doubtful debts and advances (net)	(31.43)	57.27
Bad debts written off	147.15	21.88
Share based compensation expenses	76.86	27.23
Operating Profit before working capital changes	2,916.58	3,132.02
Adjustments for changes in working capital:		
Trade receivables and unbilled revenue	(54.44)	(180.71)
Inventories	-	13.87
Loans, other financial assets and other assets	1,538.16	(4,114.50)
Trade Payables	(406.00)	390.79
Other financial liabilities, other liabilities and provisions	(830.99)	1,233.79
Cash generated from operations	3,163.31	475.26
Taxes Paid	(486.51)	(180.33)
Net cash generated from operating activities (A)	2,676.80	294.93
B] CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including net movement in capital work in progress and capital advances)	(523.05)	(792.70)
Proceeds from sale of property, plant and equipment	3.41	1.39
Payment for acquiring right of use assets	(25.01)	-
Investment in Equity Shares of Subsidiaries	-	(184.57)
Sale of investments carried at fair value through profit and loss (net)	1,642.53	1,701.17
Loan repaid by subsidiary	-	100.00
Interest received	46.16	152.73
Dividend received	-	52.76
Fixed Deposit with banks having original maturity over three months (net)	(1,612.71)	(139.45)
Net Cash (used in) / generated from investing activities (B)	(468.67)	891.33

(Amount in ₹ million)

PARTICULARS	31 March 2020	31 March 2019
C] CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long term loan from banks	-	(89.40)
Proceeds from issue of Share Capital and application money	7.94	16.57
Repayment of Working Capital loan (Net)	(381.12)	(1,402.65)
Repayment of lease liabilities	(313.56)	-
Proceeds from sale of shares by Employee Welfare Trust (net)	-	173.61
Dividend paid including corporate dividend tax	(995.33)	(553.51)
Interest and finance charges	(4.65)	(112.76)
Net cash used in financing activities (C)	(1,686.72)	(1,968.14)
D] Exchange differences on translation of foreign currency cash and cash equivalents	(4.29)	(22.88)
Net Increase / (decrease) in cash and cash equivalents (A + B+ C + D)	517.12	(804.76)
Cash and cash equivalents at close of the year (refer note 1 below)	1,337.13	820.01
Cash and cash equivalents at beginning of the year (refer note 1 below)	820.01	1,471.66
Cash and cash equivalents received pursuant to the Composite Scheme (net) (Refer note 44)	-	153.11
Cash surplus / (deficit) for the year	517.12	(804.76)
Note 1:		
Cash and cash equivalents include:		
Cash on hand	0.01	0.02
Cheques in Hand	-	15.27
Balance with banks		
- In current accounts	1,310.99	743.95
- In deposit account (with original maturity of 3 months or less)	26.13	60.77
Total Cash and cash equivalents	1,337.13	820.01

Note 2:

Figures in brackets represent outflows of cash and cash equivalents.

Note 3:

The above Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind-AS) 7 on Statement of cash flows.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number :101248W/W-100022

Swapnil Dakshindas

Partner

Membership No. 113896

Place: Pune

Date: 20 May 2020

**For and on behalf of the Board of Directors of
BIRLA SOFT LIMITED (Erstwhile KPIT Technologies Limited)**

CIN: L72200PN1990PLC059594

Dharmander Kapoor

CEO & Managing Director

DIN: 08443715

Place: Faridabad

Date: 20 May 2020

Amita Birla

Chairman

DIN: 00837718

Place: New Delhi

Date: 20 May 2020

Sneha Padve

Company Secretary

Place: Pune

Date: 20 May 2020

Statement of changes in equity for the year ended on 31 March 2020

A Equity share capital

	(Amount in ₹ million)
Balance as at 1 April 2018	379.03
Changes in equity share capital during 2018-19	169.26
Balance as at 31 March 2019	548.29
Changes in equity share capital during 2019-20	5.13
Balance as at 31 March 2020	553.42

B Other equity

	Share application money pending allotment Employee Welfare Trust (EWT)	Reserves & surplus							Items of other comprehensive income	Total		
		Capital Reserve	Capital redemption reserve	Securities premium reserve	Share based payment reserve	General reserve	Amalgamation reserve	Retained earnings			Remeasurement of the net defined benefit Plans (Refer note 35(2) & (3))	Effective portion of cash flow hedges (Refer note 29.3)
Balance as on 1 April 2018	2.59	19.40	40.00	3,904.43	197.98	354.00	51.40	10,182.06	(78.29)	(10.24)	14,663.33	
Profit for the year	-	-	-	-	-	-	-	1,676.34	-	-	1,676.34	
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	(9.50)	-	43.68	34.18	
Total comprehensive income for the year	-	-	-	-	-	-	-	1,676.34	(9.50)	43.68	1,710.52	
Transactions with owners recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	
Dividends	-	-	-	-	-	-	-	-	-	-	(456.59)	
Dividend distribution tax	-	-	-	-	-	-	-	(456.59)	-	-	(97.43)	
Share based payments to employees	-	-	-	-	-	-	-	(97.43)	-	-	39.89	
Application money received during the year	11.88	-	-	-	39.89	-	-	-	-	-	11.88	
Effect on account of merger (Refer note 44)	-	160.26	-	-	-	1,400.00	-	2,082.48	-	-	3,642.74	
Effect on account of demerger (Refer note 44)	(14.47)	(179.66)	-	-	-	(1,754.00)	-	(6,306.58)	44.16	(9.75)	(8,220.30)	
Transfer to share based payment reserve (Refer note 41(5))	-	-	-	-	255.76	-	-	(255.76)	-	-	-	
Transfer from share based payment reserve	-	-	-	89.86	(132.69)	-	-	42.83	-	-	-	
Balance as on 31 March 2019	-	40.00	3,994.29	360.94	360.94	51.40	6,867.35	(43.63)	23.69	23.69	11,294.04	
Balance as on 1 April 2019	-	40.00	3,994.29	360.94	360.94	51.40	6,867.35	(43.63)	23.69	23.69	11,294.04	
Profit for the year	-	-	-	-	-	-	1,407.54	-	-	-	1,407.54	
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	(27.34)	-	(215.18)	(242.52)	
Total comprehensive income for the year	-	-	-	-	-	-	1,407.54	(27.34)	-	(215.18)	1,165.02	
Transactions with owners recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	
Dividends	-	-	-	-	-	-	-	-	-	-	(826.14)	
Dividend distribution tax	-	-	-	-	-	-	-	(826.14)	-	-	(169.82)	
Share based payments to employees	-	-	-	-	-	-	-	(169.82)	-	-	96.38	
Transfer from share based payment reserve	-	-	-	96.38	(316.42)	-	-	75.84	-	-	2.82	
Balance as on 31 March 2020	-	40.00	4,237.69	140.90	51.40	7,354.77	(70.97)	(191.49)	(191.49)	(191.49)	11,562.30	

Significant accounting policies

Notes referred to above form an integral part of the standalone financial statements

2 - 45

As per our report of even date attached

For BS R & Co. LLP

Chartered Accountants

Firm Registration Number :101248W/W-100022

Swapnil Dakshindas

Partner

Membership No. 113896

Place: Pune

Date: 20 May 2020

For and on behalf of the Board of Directors of
BIRLASOFT LIMITED (Erstwhile KPIT Technologies Limited)

CIN: L72200PN1990PLC059594

Dharmender Kapoor

CEO & Managing Director

DIN: 08443715

Place: Faridabad

Date: 20 May 2020

Amita Birla

Chairman

DIN: 00837718

Place: New Delhi

Date: 20 May 2020

Sneha Padve

Company Secretary

Place: Pune

Date: 20 May 2020

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

Company Overview

Birlasoft Limited (Erstwhile KPIT Technologies Limited) (“the Company”) is a public limited Company incorporated under the Companies Act, 1956 and its shares are listed on the National Stock Exchange and Bombay Stock Exchange. The Company’s registered office is in Pune and it has subsidiaries and branches across multiple geographies. Most of the revenue is generated from the export of services.

The Company provides Software Development, global IT consulting to its clients, predominantly in Banking, Financial Services and Insurance, Life Sciences and Services, Energy Resources and Utilities and Manufacturing (which mainly includes Discrete Manufacturing, Hi-Tech & Media, Auto and Consumer packaged goods) verticals.

During the previous year, the Company entered into the composite scheme of arrangement for (a) amalgamation of Birlasoft (India) Limited (Transferor company) with Birlasoft Limited (Erstwhile KPIT Technologies Limited) (Transferee company or demerged company) and (b) demerger of engineering business of Birlasoft Limited (Erstwhile KPIT Technologies Limited) into KPIT Technologies Limited (Erstwhile KPIT Engineering Limited) (Resulting company) which has been approved by the National Company Law Tribunal (NCLT) Mumbai Bench on 29 November 2018 and certified copy of the order was received on 18 December 2018.

These financial statements were authorized for issue by the Company’s Board of Directors on 20 May 2020.

1. Significant accounting policies

Basis of preparation of standalone financial statements

The standalone financial statements are prepared in accordance with the Indian Accounting Standards (“Ind-AS”) as specified under Section 133 of the Companies Act, 2013 read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, the provisions of Companies Act, 2013 and the composite scheme approved by NCLT. The standalone financial statements are presented in millions of Indian rupees rounded off to two decimal places, except per share information, unless otherwise stated.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements have been prepared on the historical cost basis except business combination (other than business combination under common control), share based payments, defined benefit obligations and certain financial instruments, which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Use of estimates

The preparation of standalone financial statements requires the management of the Company to make judgments, estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenditure during the year. Actual results could differ from estimates. Differences between actual results and estimates are recognized in the year in which the results are known / materialized.

Critical accounting estimates

a. Revenue Recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and satisfaction of performance obligation. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

b. Income tax

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

c. Measurement of defined benefit obligation, key actuarial assumptions and share based payments

Information about assumptions and estimation uncertainties in respect of defined benefit obligation and share based payment are given in note 35 and note 41 respectively.

d. Business combinations

Business combinations are accounted for using Ind-AS 103, Business Combinations. Ind-AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets.

e. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

f. Estimation uncertainties relating to the COVID-19 pandemic:

The Company has considered the possible effects that may result from COVID-19, a global pandemic, on the carrying amount of receivables, unbilled revenue and intangible assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including economic forecasts. The Company based on current estimates expects the carrying amount of the above assets will be recovered, net of provisions established. Considering the fact that the global situation is evolving day by day with new facts and numbers, the impact of the pandemic on the Company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

1.1 Current–non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a. it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realized within 12 months after the reporting date; or
- d. 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 date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. 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 current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The operating cycle of the Company is less than twelve months.

1.2 Revenue recognition

The Company earns revenue primarily from providing IT services, consulting and business solutions. The Company offers a consulting-led, integrated portfolio of IT.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognized on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognized using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation.
- Revenue from third party software is recognized upfront at the point in time when software is delivered to the customer, such revenue is recognized on net basis when the Company is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Expenses reimbursed by customers during the project execution are recorded as reduction to associated costs. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

The Company recognizes contract fulfillment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is amortized on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates.

Unearned revenue ("contract liability") is recognized when there is billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with Ind AS 37, the Company recognizes an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by geography and business verticals.

Use of significant judgment's in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgment is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company uses judgment to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Revenue for fixed-price contracts is recognized using percentage-of-completion method. The Company uses judgment to estimate the future cost-to-completion of the contracts which is used to determine the degree of the completion of the performance obligation.
- Contract Fulfillment costs are generally expensed as incurred except for costs which meet the criteria for capitalization as per Ind AS 115. Such costs are amortised over the contractual period. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered

1.3 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of that asset. All other borrowing costs are charged to the Statement of Profit and Loss.

The exchange differences arising from foreign currency borrowings, to the extent that they are regarded as an adjustment to interest costs, are regrouped from foreign exchange differences to finance costs.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

1.4 Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. If significant parts of an item of property, plant and equipment have different useful lives, than they are accounted for as separate items (major components) of property, plant and equipment. The cost and related accumulated depreciation are eliminated from the standalone financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets under construction are disclosed as capital work-in-progress.

1.5 Intangible assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment, if any.

In case of internally generated intangibles, costs incurred during the research phase of a project are expensed when incurred. Development activities involve a plan or design for the production of new or substantially improved products or processes. Development expenditure is capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalized includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable borrowing costs (in the same manner as in the case of property, plant and equipment). Other development expenditure is recognized in the Statement of Profit and Loss as incurred.

Intangible assets are derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal or when the economic benefits are not measurable.

1.6 Depreciation and amortization

Depreciation on property, plant and equipment is provided on the straight-line method over the useful lives of the assets. The estimated useful lives are as follows:

Type of asset	Useful life (No. of years)
Buildings ⁽¹⁾	25
Plant and equipment ⁽¹⁾	4
Office Equipment ⁽¹⁾	10
Owned Vehicle ⁽¹⁾	5
Furniture and fixtures ⁽¹⁾	8

⁽¹⁾ For these class of assets, based on internal assessment, the useful lives as given above are believed to best represent the period over which the assets are expected to be used. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Right of use assets are amortised over shorter of useful lives and period of lease.

Perpetual software licenses are amortized over 4 years. However, time-based software licenses are amortized over the license period.

Capitalized development costs are amortized over a period of 3 to 4 years.

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Improvements to leased premises are amortized over the remaining non-cancellable period of the lease.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

Depreciation and amortisation methods, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

1.7 Impairment

a. Financial assets

The Company assesses at each Balance Sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recorded as an impairment gain or loss in Statement of Profit or Loss.

b. Non- financial assets

Property, plant and equipment and intangible assets

The management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. Impairment loss is recognized when the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's fair value less cost of disposal and value in use. For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Intangible assets which are not yet available for use are tested for impairment annually. Other assets (tangible and intangible) are reviewed at each reporting date to determine if there is any indication of impairment. For assets in respect of which any such indication exists and for intangible assets mandatorily tested annually for impairment, the asset's recoverable amount is estimated.

If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the assets or CGU's recoverable amount is estimated. For assets other than goodwill, the impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Such a reversal is recognized in the Statement of Profit and Loss.

1.8 Inventories

Inventories which comprise raw materials, work-in-progress, finished goods and stores and spares, are carried at the lower of cost and net realizable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

1.9 Leases

The Company primarily has leased rental offices premises, guest house, parking space, laptops etc across multiple locations.

The Ministry of Corporate Affairs (MCA) notified IND AS 116, the new lease accounting standard on 30 March 2019 and came into force with effect from 01 April 2019. IND AS 116 has replaced the guidance in IND AS 17 "Leases". The effect of initially applying this standard is recognised at date of initial application (i.e. 01 April 2019). Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

The Company has applied IND AS 116 using the modified retrospective approach as per C5(b) of the standard. Accordingly the company has not restated the comparative information, i.e. comparative information continues to be reported under IND AS 17. Refer note 1.9 Significant accounting policy in the annual report of the company for the year ended March 31 2019 for lease accounting policy as per IND AS 17.

The impact of adoption of this accounting standard is disclosed in note 38.

At the inception of contract the Company assesses whether the contract is, or contains a lease. A contract is, or contains, a lease if the contract involves use of an identified asset and conveys the right to control the use of asset for period of time in exchange for consideration i.e. customer has right to :

- obtain substantially all the economic benefits from using the asset and
- direct the use of asset

Company as a lessee

1. Recognition and measurement

The Company recognises the right of use asset and lease liability at the commencement date of lease. The right of use asset is initially measured at cost, which comprises of present value of future lease rent payouts adjusted for any payment made at or before commencement date, any initial direct cost incurred and an estimate of cost to dismantle or remove an underlying asset or to restore an asset less any lease incentive received.

The lease liability is initially measured at present value of lease payments that is not paid at commencement date discounted at implicit rate mentioned in lease or incremental borrowing rate. The Company generally uses incremental borrowing rate as discount rate.

The right-of-use assets is depreciated using the straight-line method from the commencement date over the useful life of right-of-use asset.

The lease liability is subsequently measured at amortised cost using effective interest method. It is remeasured to reflect any lease modifications or reassessments.

2. Extension and termination of lease

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

3. Short term leases and low value assets

The Company has elected not to recognise right of use of assets and lease liabilities for short-term leases that have lease term of 12 months or less and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense on a straight- line basis over lease term.

4. Impairment testing for right of use of assets

Right of use assets are tested for impairment whenever there is any indication that their carrying amount is not recoverable. Impairment loss, if any, is recognised in statement of profit and loss.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

1.10 Earnings per share

Basic earnings per share are computed by dividing the net profit for the year after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year after tax for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

1.11 Foreign currency transactions

a. Functional and presentation currency

Indian Rupee is the Company's functional as well as presentation currency.

- b. Transactions in foreign currencies are translated to the functional currency of the Company at the exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currencies are translated into the functional currency at the year-end rates. The exchange differences so determined and also the realized exchange differences are recognized in the Statement of Profit and Loss. Non-monetary items denominated in foreign currencies and measured at fair value are translated into the functional currency at the exchange rate prevalent at the date when the fair value was determined. Non-monetary items denominated in foreign currencies and measured at historical cost are translated into the functional currency at the exchange rate prevalent at the date of transaction.

c. Translation of foreign operations

For translating the financial statements of foreign branches, their functional currencies are determined. The results and the financial position of the foreign branches are translated into presentation currency so that the foreign operation could be included in the standalone financial statements.

1.12 Employee benefits

i) Post-employment benefit plans

Defined benefit plan

The Company's gratuity scheme is a defined benefit plan. For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with independent actuarial valuations being carried out at each Balance Sheet date. Remeasurement of net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effects of asset ceiling (if any, excluding interest) are recognized in Other Comprehensive Income for the period in which they occur. Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss. Past service cost is recognized immediately to the extent that the benefits are already vested or amortized on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets, if any. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

ii) Other employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the service. These benefits include compensated absences (which cannot be carried forward) such as paid annual leave, overseas social security contributions and performance incentives.

1.13 Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of branches where it is expected that the earnings of the branch will not be distributed in the foreseeable future. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates for the purposes of current and deferred tax have been determined on the basis of Company's evaluation of acceptability of its tax positions by the taxation authorities.

Minimum Alternate Tax

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognized as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognized as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

1.14 Provisions, Contingent liabilities and Contingent assets

The Company recognizes provisions only when it has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

No provision is recognized for –

- a. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

b. Present obligations that arise from past events but are not recognized because-

- 1) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
or
- 2) A reliable estimate of the amount of obligation cannot be made.

Such obligations are disclosed as contingent liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent assets are not recognized in the standalone financial statements since this may result in the recognition of income that may never be realized.

Onerous contracts

Provisions for onerous contracts are recognized 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.

Warranty

The Company has an obligation by way of warranty to maintain the software during the period of warranty, as per the contractual requirements, for certain products/licenses. Costs associated with such sale are accrued at the time when related revenues are recorded and included in cost of service delivery. The Company estimates such cost based on historical experience and the estimates are reviewed periodically for material changes in the assumptions.

Decommissioning Liability

The Company uses various premises on lease to run its operation and records a provision for decommissioning costs to be incurred for the restoration of these premises at the end of the lease period. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as an interest expense. The estimated future costs of decommissioning and interest rate are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

1.15 Research and development:

Costs incurred during the research phase of a project are expensed when incurred. Costs incurred in the development phase are recognized as an intangible asset in accordance with policy defined in 1.5.

1.16 Employee stock option

In respect of stock options granted pursuant to the Company's Employee Stock Option Scheme, the Company recognizes employee compensation expense, using the grant date fair value in accordance with Ind-AS 102 - Share Based Payment, on straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares.

1.17 Investment in subsidiaries

Investment in subsidiaries are measured at cost less impairment.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

1.18 Financial instruments

a. Initial recognition

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

b. Subsequent measurement

i) Non-derivative financial instruments

Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through Other Comprehensive Income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

However, in cases where the Company has made an irrevocable election for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, the subsequent changes in fair value are recognized in Other Comprehensive Income.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

ii) Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Company does not use derivative financial instruments for speculative purposes. The counter-party to the Company's foreign currency forward contracts is generally a bank.

Financial assets or financial liabilities, at fair value through profit or loss

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the statement of profit and loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

Cash flow hedge

The use of hedging instruments is governed by the Company's policy approved by the Board of Directors, which provides written principles on the use of such financial derivatives consistent with the Company's risk management strategy.

The Company designates certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on firm commitments and highly probable forecast transactions.

Hedging instruments are initially measured at fair value and are re-measured at subsequent reporting dates. The effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecast transactions any cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve is retained until the forecast transaction occurs. When a hedged transaction occurs or is no longer expected to occur, the net cumulative gain or loss recognized in cash flow hedging reserve is transferred to the Statement of Profit and Loss.

The amount recognized in Other Comprehensive Income is reclassified to profit or loss as a reclassification adjustment in the same period as the hedged cash flows affect profit or loss, and in the same line item in the Statement of Profit or Loss and Other Comprehensive Income.

iii) Treasury Shares

When any entity within the Group (Birlasoft Limited (erstwhile KPIT Technologies Limited) and its subsidiaries) purchases the Company's ordinary shares, the consideration paid including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/ from share premium.

c. Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind-AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

d. Fair value of financial instruments

The Company uses discounted cash flow analysis method for the fair value of its financial instruments except for employee stock options (ESOP), where Black and Scholes options pricing model is used. The method of assessing fair value results in general approximation of value and such value may never actually be realized.

For all other financial instruments the carrying amount approximates fair value due to short maturity of those instruments.

Fair value measurements

The Company measures financial instruments, such as, derivatives and investments in mutual funds at fair value at each balance sheet date.

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:

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

- a. In the principal market for the asset or liability, or
- b. 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 by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured are categorized 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:

- a. Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- b. Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- c. Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For assets and liabilities that are recognized in the Standalone Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's finance team determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The team comprises of the head of the treasury operation and chief finance officer.

External valuers are involved for valuation of significant assets and liabilities. Involvement of external valuers is decided on the basis of nature of transaction and complexity involved. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the finance team analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the team verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. A change in fair value of assets and liabilities is also compared with relevant external sources to determine whether the change is reasonable.

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.

1.19 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the standalone statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Company's cash management.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

1.20 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.21 Discontinued Operations

A discontinued operation is a component of the Company's business, the operations and cash flows of which can be clearly distinguished from those of the rest of the Group and which represents a separate major line of business or geographical area of operations and

- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

When an operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period

1.22 Business combinations

- a. Business combinations are accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Company. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Transaction costs that the Company incurs in connection with a business combination such as finders' fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

Impact of any changes in the purchase consideration, after the measurement period, is recorded in the Statement of Profit and Loss.

- b. Goodwill represents the cost of business acquisition in excess of the Company's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquire. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisition, a gain is recognized immediately in net profit in the Statement of Profit and Loss. Goodwill is measured at cost less accumulated impairment losses.
- c. Business combinations arising from transfer of interests in entities that are under the control of the shareholder that control the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established.

Business combinations involving entities that are controlled by the group are accounted for using the pooling of interests method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
- The difference, if any, between consideration and the amount of share capital of required entity is transferred to capital reserve.

1.23 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 01 April 2020.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

2A Property, plant and equipment

	Land (Leasehold)	Building	Leasehold improvements	Plant and Equipment	Furniture and Fixtures	Vehicles		Office Equipments	Total
						Leased	Owned		
Gross carrying amount as at 1 April 2018	469.16	1,342.02	259.29	1,145.81	170.42	6.71	18.87	466.39	3,878.67
Additions	-	124.99	2.94	482.27	23.02	-	10.55	57.90	701.67
On account of merger	-	-	651.51	192.63	68.13	-	1.74	135.01	1,049.02
Disposal/retirements/derecognition	-	-	-	9.23	-	-	-	0.56	9.79
Transfer on account of demerger	405.40	1,080.97	112.99	742.33	132.87	6.71	25.54	330.09	2,836.90
Gross carrying amount as at 31 March 2019	63.76	386.04	800.75	1,069.15	128.70	-	5.62	328.65	2,782.67
Accumulated depreciation as at 1 April 2018	18.99	80.40	77.90	623.63	50.43	5.71	9.28	123.38	989.72
Depreciation (Refer note (i) below)	5.68	50.89	55.76	251.75	20.59	0.95	3.68	44.07	433.37
On account of merger	-	-	161.05	116.42	38.72	-	0.66	65.47	382.32
Disposal/retirements/derecognition	-	-	-	8.27	-	-	-	-	8.27
Transfer on account of demerger	15.24	46.27	18.24	203.95	35.88	6.66	8.78	60.63	395.65
Accumulated depreciation as at 31 March 2019	9.43	85.02	276.47	779.58	73.86	-	4.84	172.29	1,401.49
Gross carrying amount as at 01 April 2019	63.76	386.04	800.75	1,069.15	128.70	-	5.62	328.65	2,782.67
Reclassified on account of adoption of IND AS 116	63.76	-	-	-	-	-	-	-	63.76
Additions	-	-	186.50	136.90	0.12	-	-	26.55	350.07
Disposal/retirements/derecognition	-	-	2.85	2.70	2.67	-	-	14.23	22.45
Gross carrying amount as at 31 March 2020	-	386.04	984.40	1,203.35	126.15	-	5.62	340.97	3,046.53
Accumulated depreciation as at 1 April 2019	9.43	85.02	276.47	779.58	73.86	-	4.84	172.29	1,401.49
Reclassified on account of adoption of IND AS 116	9.43	-	-	-	-	-	-	-	9.43
Depreciation	-	20.53	106.33	160.18	11.36	-	0.20	26.30	324.90
Disposal/retirements/derecognition	-	-	2.14	2.22	1.62	-	-	13.10	19.08
Accumulated depreciation as at 31 March 2020	-	105.55	380.66	937.54	83.60	-	5.04	185.49	1,697.88
Carrying amount as at 1 April 2019	54.33	301.02	524.28	289.57	54.84	-	0.78	156.36	1,381.18
Carrying amount as at 31 March 2020	-	280.49	603.74	265.81	42.55	-	0.58	155.48	1,348.65

2B Right-of-use assets

	Office Premises	Land	Total
Recognised on adoption of IND AS-116 as on 1 April 2019	1,221.44	-	1,221.44
Reclassified on account of adoption of IND AS 116	-	63.76	63.76
Additions	239.32	11.40	250.72
Disposal/retirements/derecognition	34.00	-	34.00
Gross carrying amount as at 31 March 2020	1,426.76	75.16	1,501.92
Accumulated depreciation as at 1 April 2019	-	-	-
Reclassified on account of adoption of IND AS 116	-	9.43	9.43
Depreciation	285.00	2.44	287.44
Disposal/retirements/derecognition	20.75	-	20.75
Accumulated depreciation as at 31 March 2020	264.25	11.87	276.12
Carrying amount as at 31 March 2020	1,162.51	63.29	1,225.80

2C Other intangible assets

	Internally Generated	Other than Internally Generated	Total
	Product Development Cost (Refer note (ii))	Software	
Gross carrying amount as at 1 April 2018	783.87	986.10	1,769.97
Additions	179.39	346.51	525.90
On account of merger	-	119.38	119.38
Transfer on account of demerger	804.37	716.38	1,520.75
Gross carrying amount as at 31 March 2019	158.89	735.61	894.50
Accumulated depreciation as at 1 April 2018	295.36	728.68	1,024.04
Depreciation (Refer note (i) below)	204.75	240.29	445.04
On account of merger	-	111.91	111.91
Transfer on account of demerger	389.96	463.39	853.35
Accumulated depreciation as at 31 March 2019	110.15	617.49	727.64
Gross carrying amount as at 01 April 2019	158.89	735.61	894.50
Additions	-	73.54	73.54
Disposal/retirements/derecognition	-	-	-
Gross carrying amount as at 31 March 2020	158.89	809.15	968.04
Accumulated amortisation as at 01 April 2019	110.15	617.49	727.64
Depreciation	21.37	58.91	80.28
Disposal/retirements/derecognition	-	-	-
Accumulated amortisation as at 31 March 2020	131.52	676.40	807.92
Carrying amount as at 1 April 2019	48.74	118.12	166.86
Carrying amount as at 31 March 2020	27.37	132.75	160.12

Notes:

- (i) Depreciation and amortisation of continuing operations relating to Property, plant and equipment and Intangible assets for previous year is ₹ 390.23 million.
- (ii) With respect to one of the intangible assets, the Company was unable to track separately the future economic benefits and the expected cash flows, but yielding results at the combined business level. Further, it was difficult to assess the period over which the benefits are expected to flow. Hence, during the previous year ended 31 March 2019, the Company had impaired the intangible asset, resulting in an impairment loss of ₹ 56.68 million recognised under depreciation and amortization expense in the Statement of Profit and Loss in discontinued operations.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

3. Investment in subsidiaries

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Investments (Unquoted)		
Investments in equity instruments of subsidiaries (at cost)		
Birlasoft Computer Corporation, USA (Erstwhile SYSTIME Computer Corporation, USA)	469.36	469.36
A wholly owned subsidiary company incorporated in USA [204,082 (Previous year 204,082) common stock of issued equity, no par value]		
Birlasoft Solutions ME FZE (Erstwhile KPIT Infosystems ME FZE, Dubai)	25.41	25.41
A wholly owned subsidiary company incorporated in Dubai [1 (Previous year 1) equity share of nominal value of AED 1,000,000]		
Birlasoft Solutions Inc, USA (Erstwhile KPIT Infosystems Incorporated, USA)	2,879.17	2,879.17
A wholly owned subsidiary company incorporated in USA [12,467 (Previous year 12,467) Equity stock without par value fully paid-up]		
Birlasoft Inc, USA	25.90	25.90
A wholly owned subsidiary company incorporated in USA [10,000,000 (Previous year Nil) Equity shares of ₹ 2.59 each fully paid up]		
Birlasoft Solutions France (Erstwhile KPIT Technologies France SAS)	215.97	215.97
A wholly owned subsidiary company incorporated in France [100,000 (Previous year: 100,000) Equity stock of Euro 1 each fully paid-up]		
Birlasoft Solutions Ltda (Erstwhile KPIT Technologies Solucoes EM Informatica Ltda.)	0.04	0.04
A subsidiary of Birlasoft Solutions Inc (erstwhile KPIT Infosystems Incorporated, USA) [1,000 (Previous year 1,000) shares of Brazilian Reas 1 each fully paid-up]		
Birlasoft Sdn Bhd	0.00*	0.00*
A wholly owned subsidiary company incorporated in Malaysia [5,000 (Previous year Nil) equity shares of ₹ 12.125 each fully paid-up]		
Birlasoft Solutions Limited (Erstwhile KPIT Infosystems Ltd)	47.49	47.49
A wholly owned subsidiary company incorporated in UK [50,000 (Previous year Nil) Equity Shares of £ 1 fully paid-up]		
	3,663.34	3,663.34

* Since denominated in ₹ Million

4. Loans

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
<i>(Unsecured, considered good unless otherwise stated)</i>		
Loans and advances to other than related parties		
- Security deposits	134.94	88.20
	134.94	88.20

Note:

(i) Information about the Company's exposure to interest rate risk and credit risk is disclosed in note 29.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

5. Other financial assets

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
<i>(Unsecured, considered good unless otherwise stated)</i>		
Fixed deposits with banks	30.98	68.30
Interest accrued on fixed deposits	0.94	3.76
	31.92	72.06

Note:

(i) Information about the Company's exposure to interest rate risk and liquidity risk is disclosed in note 29.

6. Deferred tax assets

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Deferred tax assets		
-Provision for doubtful debts and advances	74.38	77.24
-Provision for compensated absences	36.95	36.01
-Provision for gratuity	101.53	82.30
-Provision for Indirect tax	0.17	1.42
-Bonus Payable	4.13	4.67
-Excess of depreciation/amortisation on fixed assets provided in accounts over depreciation/amortisation as provided under income-tax law	87.23	111.63
-Forward contracts designated as cash flow hedges	102.86	-
-Rent equalization reserve	-	5.54
-Transaction Cost	184.71	302.07
-Lease liabilities	345.15	-
MAT credit entitlement	128.03	516.98
	1,065.14	1,137.86
Deferred tax liabilities		
-Forward contracts designated as cash flow hedges	-	11.80
-Forward contracts designated as fair value through profit and loss	-	16.40
-Gratuity fund planned asset	-	4.27
-Right-of-use assets	316.93	-
-Others	0.56	6.50
	317.49	38.97
Net deferred tax asset	747.65	1,098.89

7. Other non-current assets

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
<i>(Unsecured, considered good unless otherwise stated)</i>		
Capital advances	0.58	2.54
Advance rentals	-	21.70
Prepaid expenses	5.02	5.04
Contract Fulfillment Cost	22.04	-
Balance in Group Gratuity Trust Account	21.86	21.86
	49.50	51.14

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

8. Current investments

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Investments in equity instruments of other entities measured at fair value through Profit or Loss (unquoted)		
Saraswat Co-operative Bank Limited	0.00*	0.00*
1 (Previous year 1) equity share of ₹ 10 each fully paid up		
Investments in Mutual funds measured at fair value through Profit or Loss (quoted)		
44,077 units (Previous year Nil units) - Axis Liquid Fund - Direct Plan Growth	96.71	-
12,250 units (Previous year 135,131 units) L&T Liquid fund Regular Growth	33.21	345.08
Nil units (Previous year 126,173 units) Kotak liquid Regular Plan-Growth	-	476.01
Nil units (Previous year 101,124 units) HDFC Liquid Fund-Regular Plan- Growth	-	370.15
342,074 units (Previous year 672,004 units) ICICI Prudential Liquid Fund- Direct Plan Growth	100.06	185.19
Nil units (Previous year 31,777 units) ICICI Prudential Money Market Fund- Growth	-	8.22
314,846 (Previous year 1,753,558 units) Aditya Birla sun life liquid Fund-Direct Plan Growth	100.04	524.32
	330.02	1,908.97

* Since denominated in ₹ Million

Note:

(i) The details of aggregate value of quoted/unquoted investments and the Company's exposure to liquidity risk and credit risk are disclosed in note 29.

9. Trade receivables

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
<i>(Unsecured)</i>		
Trade Receivables considered good	3,923.15	3,728.11
Trade Receivables - credit impaired	147.65	170.51
	4,070.80	3,898.62
Less: Allowances for bad and doubtful trade receivables	147.65	170.51
	3,923.15	3,728.11

Notes:

(i) Trade receivables from related parties are disclosed in note 37.

(ii) The Company's exposure to credit risk, currency risk and loss allowance related to trade receivables are disclosed in note 29.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

10. Cash and bank balances

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Cash and cash equivalents		
Cash on hand	0.01	0.02
Cheques in hand	-	15.27
Balances with banks		
- In current accounts	1,310.99	743.95
- In deposit accounts(with original maturity of 3 months or less)	26.13	60.77
	1,337.13	820.01
Other bank balances (includes unclaimed dividend of ₹ 7.97 million (Previous year ₹ 7.35 million))	1,805.40	154.74
	3,142.53	974.75

Note:

(i) Information about the Company's exposure to credit risk, interest rate risk, foreign currency risk and liquidity risk is disclosed in note 29.

11. Loans

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
(Unsecured, considered good unless otherwise stated)		
Loans and advances to related parties (Refer note 37)		
- Dues from subsidiaries	95.09	43.05
Loans and advances to other than related parties		
Other loans and advances		
- Security deposits		
Considered good	17.00	42.46
Credit impaired	2.03	9.16
	19.03	51.62
Less: Provision for doubtful advances	2.03	9.16
	17.00	42.46
- Other receivables	0.06	0.06
	112.15	85.57

Note:

(i) Information about the Company's exposure to credit risk, interest rate risk and foreign currency risk is disclosed in note 29.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

12. Other current financial assets

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
(Unsecured, considered good unless otherwise stated)		
Forward contracts		
-designated as cash flow hedge	-	35.50
-fair value through profit and loss	-	46.92
Interest accrued on fixed deposits	52.81	4.14
Other Receivable	135.62	1,743.20
	188.43	1,829.76

Note:

(i) Information about the Company's exposure to credit risk, interest rate risk, foreign currency risk and liquidity risk is disclosed in note 29.

13. Other current assets

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
(Unsecured, considered good unless otherwise stated)		
Contract assets -from fixed price contracts (Refer note 32(b))	233.48	175.90
Advance rentals	-	5.60
Employee advances		
- Considered good	53.53	47.11
- Credit impaired	44.53	35.10
	98.06	82.21
Less: Provision for doubtful advances	44.53	35.10
	53.53	47.11
Advance to suppliers	36.06	71.91
Prepaid expenses	144.44	115.84
Contract Fulfillment Cost	4.21	-
Balances with statutory authorities	269.00	270.53
Gratuity fund plan assets (Refer note 35 (3))	-	12.22
	740.72	699.11

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

14. Equity share capital

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Authorised:		
870,000,000 (Previous year 870,000,000) equity shares of ₹ 2 each.	1,740.00	1,740.00
	1,740.00	1,740.00
Issued subscribed and fully paid up:		
276,708,577 (Previous year 274,143,808) equity shares of ₹ 2 each fully paid up	553.42	548.29
	553.42	548.29

14.1 The Company declares and pays dividends in Indian rupees. Interim dividend was declared by Board of Directors in their meeting held on January 31, 2020. The interim dividend distributed to the members of the Company is ₹ 333.59 million (including Dividend Distribution Tax) i.e. ₹ 1.00 per share of face value of ₹ 2 per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed to be distributed to equity shareholders for the year ended 31 March 2020 is ₹ 276.71 million i.e. ₹ 1.00 per share (Previous year ₹ 548.29 million i.e. ₹ 2.00 per share). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Dividends during the year ended 31 March 2020 include ₹ 2.00 per share towards final dividend for the year ended 31 March 2019 and ₹ 1.00 per share towards interim dividend for the year ended 31 March 2020. Dividends during the year ended 31 March 2019 include ₹ 2.40 per share towards final dividend for the year ended 31 March 2018.

14.2 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive a share in the 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.

14.3 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number of shares	(₹)	Number of shares	(₹)
Equity shares				
At the beginning of the year	274,143,808	548.29	189,514,051	379.03
Add: Shares issued under employee stock options plan	2,564,769	5.13	2,343,318	4.69
Add : Shares issued in business combination (Refer note 44)	-	-	76,645,066	153.29
Add :Shares held by Employee Welfare Trust (EWT)*	-	-	5,641,373	11.28
Outstanding at the end of the year	276,708,577	553.42	274,143,808	548.29

* Note : Pursuant to composite scheme of arrangement the shares held by EWT have been transferred to the resulting company hence are not eliminated in previous financial year.

14.4 The Company has only one class of shares referred to as equity shares having a par value of ₹ 2 each. Each shareholder of equity shares is entitled to one vote per share.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

14.5 Number of equity shares held by each shareholder holding more than 5% shares in the Company are as follows:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number of shares	(₹)	Number of shares	(₹)
National Engineering Industries Limited	100,371,174	36.27%	86,663,985	31.61%
Proficient finstock LLP	-	-	15,130,949	5.52%

14.6 Aggregate number of equity shares allotted as fully paid up by way of bonus shares for the period of five years immediately preceding the Balance Sheet date - NIL (Previous year: Nil)

14.7 Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

- 76,645,066 (Previous year : 76,645,066) equity shares of ₹ 2 each have been allotted as fully paid up pursuant to amalgamation of transferor company.
- 4,908,087 (Previous year :2,343,318) equity shares have been issued under Employee stock option plan.

14.8 Capital Management

The Company's objective is to safeguard its ability to continue as a going concern and to maintain investor, creditor and market confidence and to maximize shareholder value. In order to fulfil its objective, the management of the Company monitors the return on capital as well as the level of dividends to ordinary shareholders.

15. Lease liabilities -non current

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Lease liabilities (Refer note 38)	1,045.08	-
	1,045.08	-

Note:

- Information about the Company's exposure to foreign currency risk , interest rate risk and liquidity risk is disclosed in note 29.

16. Provisions -non current

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Provision for employee benefits		
- Compensated absences	103.26	77.27
- Gratuity (Refer note 35(2))	254.88	214.18
Other provisions		
- Provision for lease restoration costs (Refer Note 40(3))	3.36	3.11
	361.50	294.56

17. Other non-current liabilities

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Lease equalization reserve	-	56.08
	-	56.08

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

18. Current borrowings

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Loans repayable on demand		
- From banks (Secured)		
Working capital loans from banks (secured)(Refer note (i) below)	-	381.12
	-	381.12

Notes:

(i) The above loan is secured by way of first charge by way of hypothecation of Company's entire book debts, both present and future, on pari passu basis, carrying an average interest rate upto 6 months LIBOR plus 0.93% p.a.

(ii) Information about the Company's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 29.

19. Lease liabilities - current

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Lease liabilities (Refer note 38)	232.07	-
	232.07	-

Note:

(i) Information about the Company's exposure to foreign currency risk, interest rate risk and liquidity risk is disclosed in note 29.

20. Trade payables

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Trade payables		
Total outstanding dues of micro enterprises and small enterprises (Refer note 31)	4.34	10.51
Total outstanding dues of creditors other than micro enterprises and small enterprises	768.63	1,148.43
	772.97	1,158.94

Notes:

(i) Trade payable from related parties are disclosed in note 37.

(ii) Information about the Company's exposure to foreign currency risk and liquidity risk is disclosed in note 29.

21. Other current financial liabilities

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Other than trade payables :		
Accrued employee costs	685.01	579.95
Unclaimed dividend	7.98	7.35
Payables in respect of fixed assets	9.85	87.75
Payable to subsidiaries (Refer note 37)	3.37	0.18
Security deposits	0.45	0.37
Forward contracts designated as cash flow hedges	294.35	-
Other payable (Refer note 37)	113.55	1,405.13
	1,114.56	2,080.73

Note:

(i) Information about the Company's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 29.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

22. Other current liabilities

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Unearned revenue	568.86	254.98
Advances from customers	7.98	8.13
Statutory remittances	210.10	231.34
Lease equalization reserve	-	10.29
	786.94	504.74

23. Provisions - current

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Provision for employee benefits		
- Compensated absences	28.00	25.92
- Gratuity (Refer note 35 (2))	24.01	21.33
Gratuity fund plan liabilities (Refer note 35 (3))	11.65	-
Other provisions		
- Provision for Onerous Contracts	22.04	0.06
- Service tax payable (net of tax paid under protest)	-	3.54
	85.70	50.85

24. Revenue from operations

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Software services (Refer note 32)	14,621.64	10,019.87
	14,621.64	10,019.87

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

25. Other income

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Interest income	96.94	73.26
Dividend income from current investments	-	52.76
Foreign exchange gain (net) (Refer note (i) below)	164.84	-
Fair value loss on financial assets (investments) at fair value through profit or loss	(16.96)	-
Other non operating income (net of expenses directly attributable to such income) (including miscellaneous income)	24.15	12.77
Gain on sale/ redemption of mutual funds	80.54	110.11
	349.51	248.90

26. Employee benefits expense

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Salaries, wages and incentives	8,974.36	6,020.68
Contribution to provident fund (Refer note 35(1))	345.28	196.69
Share based compensation to employees (Refer note 41)	76.86	25.22
Staff welfare expenses	38.45	32.42
	9,434.95	6,275.01

27. Finance costs

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Interest expense on lease liability	118.81	-
Other interest expense	4.65	53.84
	123.46	53.84

28. Other expenses

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Travel and overseas expenses (net)	190.93	113.17
Transport and conveyance (net)	129.97	86.60
Cost of service delivery (net)	131.26	137.35
Cost of professional sub-contracting (net)	300.01	274.65
Recruitment and training expenses	140.50	103.75
Power and fuel	114.64	86.38
Rent	37.86	145.15
Repairs and maintenance		
- buildings	149.76	46.03
- plant and equipment	306.11	120.58
- others	113.09	30.11
Insurance	70.74	76.64
Rates and taxes	21.82	11.84
Communication expenses (net)	74.29	51.65

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

28. Other expenses (Contd.)

Particulars	31 March 2020 (Refer note 44)	31 March 2019 (Refer note 44)
Legal and professional fees	319.02	406.53
Marketing expenses	13.70	8.37
Loss on sale of property, plant and equipment and intangible assets (net)	0.31	0.13
Fair value loss on financial assets (investments) at fair value through profit or loss	-	70.23
Foreign exchange loss (net) (Refer note 25(i))	-	63.01
Printing and stationery	9.40	7.98
Auditors remuneration (net of taxes)		
- Audit fees	10.00	11.00
- Limited review of quarterly results	2.50	1.50
- Fees for other services	2.04	1.47
- Out of pocket expenses reimbursed	2.04	0.74
Bad debts written off	147.15	4.27
Provision for doubtful debts and advances (net)	(31.43)	38.17
Contributions towards corporate social responsibility (Refer note 45(1))	41.75	43.43
Miscellaneous expenses (net)	193.98	158.38
	2,491.44	2,099.11

Note

Certain expenses are net of recoveries/ reimbursements from customers.

29 Financial Instruments

29.1 Financial Instruments by category

The carrying value and fair value of financial instruments by categories as on 31 March 2020 are as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets							
Investments (other than in subsidiaries)	-	-	330.02	-	-	330.02	330.02
Trade receivables	3,923.15	-	-	-	-	3,923.15	3,923.15
Cash and cash equivalents	1,337.13	-	-	-	-	1,337.13	1,337.13
Other balances with banks	1,805.40	-	-	-	-	1,805.40	1,805.40
Loans	247.09	-	-	-	-	247.09	247.09
Unbilled revenue	363.94	-	-	-	-	363.94	363.94
Other financial assets	220.35	-	-	-	-	220.35	220.35
Total Assets	7,897.06	-	330.02	-	-	8,227.08	8,227.08
Liabilities							
Lease liabilities	1,277.15	-	-	-	-	1,277.15	1,277.15
Trade payables	772.97	-	-	-	-	772.97	772.97
Other financial liabilities	820.21	-	-	-	294.35	1,114.56	1,114.56
Total Liabilities	2,870.33	-	-	-	294.35	3,164.68	3,164.68

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The carrying value and fair value of financial instruments by categories as on 31 March 2019 were as follows:

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets							
Investments	-	-	1,908.97	-	-	1,908.97	1,908.97
Trade receivables	3,728.11	-	-	-	-	3,728.11	3,728.11
Cash and cash equivalents	820.01	-	-	-	-	820.01	820.01
Other balances with banks	154.74	-	-	-	-	154.74	154.74
Loans	173.77	-	-	-	-	173.77	173.77
Unbilled revenue	439.27	-	-	-	-	439.27	439.27
Other financial assets	1,819.40	-	46.92	-	35.50	1,901.82	1,901.82
Total Assets	7,135.30	-	1,955.89	-	35.50	9,126.69	9,126.69
Liabilities							
Borrowings	381.12	-	-	-	-	381.12	381.12
Trade payables	1,158.94	-	-	-	-	1,158.94	1,158.94
Other financial liabilities	2,080.73	-	-	-	-	2,080.73	2,080.73
Total Liabilities	3,620.79	-	-	-	-	3,620.79	3,620.79

29.2 Fair value hierarchy

Financial assets and liabilities include cash and cash equivalents, other balances with banks, trade receivables, loans, unbilled revenue, other financial assets, trade payables, borrowings and other financial liabilities whose fair values approximate their carrying amounts largely due to the short term nature of such assets and liabilities. Fair value of lease liabilities approximate its carrying amounts, as lease liabilities are valued using the discounted cash flow method.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of financial assets and liabilities as on 31 March 2020 :

Particulars	As at	Fair value measurement as at		
	31 March 2020	Level 1	Level 2	Level 3
Investments in Mutual funds	330.02	330.02	-	-
Investment in equity instruments of other entities	0.00*	-	-	0.00*
Forward contract designated as cash flow hedge	294.35	-	294.35	-
Lease Liabilities	1,277.15	-	1,277.15	-

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The following table presents fair value hierarchy of assets and liabilities measured as on 31 March 2019 :

Particulars	As at 31 March 2019	Fair value measurement as at		
		Level 1	Level 2	Level 3
Investments in Mutual funds	1,908.97	1,908.97	-	-
Investment in equity instruments of other entities	0.00*	-	-	0.00*
Forward contract designated at fair value through profit and loss	46.92	-	46.92	-
Loans and advances	173.77	-	173.77	-
Forward contract designated as cash flow hedge	35.50	-	35.50	-
Borrowings	381.12	-	381.12	-

* Since denominated in ₹ million.

Valuation technique and significant unobservable inputs:

Level 2:

- (i) Derivative financial assets are valued based on inputs that are directly or indirectly observable in the market.
- (ii) Borrowings, loans and lease liabilities given are valued using the discounted cash flow method, the net cash flows expected to be generated are discounted using the cost of borrowing that are directly or indirectly observable in the market.

Level 3:

Valuation techniques

For valuation of investment in equity instruments, discounted cash flow method is used to capture the present value of expected future economic benefits. Under the discounted cash flow method, the net cash flows expected to be generated are discounted using the weighted average cost of capital.

Significant increase in discount rates and spreads above risk free rate, in isolation would result in lower fair values. A significant increase in volatility in revenue growth rates will result in higher fair value.

29.3 Financial risk management

The board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The board of directors has established the Risk Management Committees, which is responsible for developing and monitoring the Company's risk management policies.

The Company has exposure to the following risks arising from financial instruments. Further, refer note 43 for evaluation of impact of COVID 19.

a. Credit risk

Credit risk is the risk of financial losses to the Company if a customer or counterparty to financial instruments fails to discharge its contractual obligations and arises primarily from the Company's receivables from customers amounting to ₹ 3,923.15 million and ₹ 3,728.11 million and unbilled revenue amounting to ₹ 363.94 million and ₹ 439.27 million as on 31 March 2020 and 31 March 2019 respectively. To manage this, the Company periodically assesses the key accounts receivable balances. As per Ind-AS 109 : Financial Instruments, the Company uses expected credit loss model to assess the impairment loss or gain.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The carrying amount of trade and other receivables and other financial assets represents the maximum credit exposure.

i. Trade receivables

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated sales team at each geography which is responsible for collecting dues from the customer within stipulated period. The management reviews status of critical accounts on a regular basis.

ii. Impairment

Movement in the allowance for impairment in respect of trade and other receivables for continuing and discontinued operations

Particulars	31 March 2020	31 March 2019
Balance at the beginning of the year	170.51	187.61
Change during the year	(182.22)	53.00
Bad debts written off	147.15	4.27
Addition on account of amalgamation of transferor company	-	9.50
Transferred to resulting company	-	(83.49)
Translation exchange difference	12.21	(0.38)
Balance at the end of the year	147.65	170.51

Trade receivables that were not impaired

Particulars	Carrying amount	
	31 March 2020	31 March 2019
Neither past due nor impaired	1,627.55	2,234.59
Past due 1- 30 days	1,495.24	547.87
Past due 31 - 90 days	236.99	242.58
Past due 91 - 180 days	305.57	358.26
More than 180 days	257.80	344.81

Unbilled revenue is not outstanding for more than 90 days.

iii. Cash and bank balances

The Company held cash and bank balances of ₹ 3,227.26 million and ₹ 1,050.95 million as on 31 March 2020 and 31 March 2019 respectively. The cash and bank balances are held with banks which have high credit ratings assigned by international credit rating agencies.

iv. Guarantees

The Company's policy is to provide financial guarantees only on behalf of subsidiaries. The Company has issued the guarantees to certain banks in respect of credit facilities granted to its subsidiaries on 31 March 2020.

v. Investment

The Company invest surplus funds in mutual fund schemes. These mutual funds are regulated by Securities and Exchange Board of India (SEBI)

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has a view of maintaining liquidity and to take minimum possible risk while making investments. In order to maintain liquidity, the Company invests its excess funds in short term liquid assets like liquid mutual funds. The Company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

The liquidity position at each reporting date is given below:

Particulars	31 March 2020	31 March 2019
Cash and cash equivalents	1,337.13	820.01
Other balances with banks	1,797.43	147.39
Investments in Mutual funds (quoted)	330.02	1,908.97
Fixed deposits with banks including interest accrued	84.73	76.20
Total	3,549.31	2,952.57

The following are the remaining contractual maturities of financial liabilities as on 31 March 2020.

Particulars	Less than 1 year	1-2 years	2-4 years	4-5 years	> 5 years	Total
Trade payables	772.97	-	-	-	-	772.97
Other financial liabilities	1,114.56	-	-	-	-	1,114.56
Lease liabilities on undiscounted basis	334.16	313.34	527.95	175.33	161.35	1,512.13

The following are the remaining contractual maturities of financial liabilities as on 31 March 2019.

Particulars	Less than 1 year	1-2 years	2-4 years	4-5 years	> 5 years	Total
Borrowings	381.12	-	-	-	-	381.12
Trade payables	1,158.94	-	-	-	-	1,158.94
Other financial liabilities	2,080.73	-	-	-	-	2,080.73

c. Market risk

Market risk is a risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

i. Foreign currency risk

Significant portion of the Company's revenues are in foreign currencies, while a significant portion of the costs are in Indian rupee i.e. functional currency of the Company. The foreign currencies to which the Company is majorly exposed to are US Dollars, Euros and Pound Sterling.

The Company evaluates net exchange rate exposure based on current revenue projections and expected volatility in the market and covers its exposure up to 75% on net basis. For this purpose the Company uses foreign currency derivative instruments such as forward covers to mitigate the risk. The counterparty to these derivative instruments is a bank. The Company has designated certain derivative instruments as cash flow hedge to mitigate the foreign exchange exposure of highly probable forecasted cash flows.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Exposure to Currency Risk

The following is the Company's exposure to currency risk from financial instruments as of 31 March 2020 (Amount in ₹ million):

Particulars	US Dollars	Euros	Pound Sterling	Other currencies	Total
Cash and cash equivalents	311.94	87.39	18.73	291.09	709.15
Trade receivables	1,809.17	650.01	82.33	223.97	2,765.48
Other financial assets (including loan, unbilled revenue)	117.81	119.88	46.93	82.12	366.74
Trade payables	(6.35)	(4.13)	-	(7.01)	(17.49)
Other financial liabilities	-	-	-	(66.49)	(66.49)
Net assets/(liabilities)	2,232.57	853.15	147.99	523.68	3,757.39

The following is the Company's exposure to currency risk from financial instruments as of 31 March 2020 (Amount in ₹ million):

Particulars	US Dollars	Euros	Pound Sterling	Other currencies	Total
Cash and cash equivalents	258.43	6.60	13.75	139.25	418.03
Trade receivables	2,144.17	295.93	112.16	332.69	2,884.95
Other financial assets (including loan, unbilled revenue)	766.92	706.28	358.00	142.46	1,973.66
Borrowings	(381.12)	-	-	-	(381.12)
Trade payables	(24.40)	(9.49)	(0.92)	(82.58)	(117.39)
Other financial liabilities	(43.34)	(26.02)	(1.22)	(98.41)	(168.99)
Net assets/(liabilities)	2,720.66	973.30	481.77	433.41	4,609.14

For the year ended 31 March 2020, every 1% appreciation / depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately 1.39% / (1.39)%.

For the year ended 31 March 2019, every 1% appreciation / depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately 2.80% / (2.80)%.

ii. Derivative assets and liabilities designated as cash flow hedges

In accordance with its risk management policy and business plan the Company has hedged its cash flows. The Company enters into derivative contracts to offset the foreign currency risk arising from the amounts denominated in currencies other than in Indian rupees. The counter party to the Company's foreign currency contracts is a bank. These contracts are entered into to hedge the foreign currency risks of firm commitments (sales orders) and highly probable forecast transactions. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The following are the outstanding GBP/USD/EUR: INR Currency Exchange Contracts entered into by the Company which has been designated as Cash Flow Hedges:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Foreign Currency	₹	Foreign Currency	₹
EUR	5.25	436.01	0.70	54.40
USD	89.30	6,731.96	28.00	1,936.20
GBP	1.10	102.38	0.60	54.42

The forward contracts entered have maturity between 30 days to 11 months from the Balance Sheet date.

The movement in the hedging reserve for derivatives, which have been designated as Cash Flow Hedges, is as follows:

Particulars	31 March 2020	31 March 2019
Balance at the beginning of the year	23.69	(10.24)
Gains/(losses) recognised in Other Comprehensive Income	(294.34)	50.49
Amounts reclassified to Statement of Profit and Loss	(35.50)	15.66
Deferred tax on fair value of effective portion of cash flow hedges	114.66	(22.47)
Transfer on account of demerger	-	(9.75)
Balance at the end of the year	(191.49)	23.69

iii. 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 exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and bank deposits. The interest rate profile of the Company's interest-bearing financial instruments is as follows:

Particulars	31 March 2020	31 March 2019
Fixed rate instruments		
Financial assets	1,854.54	276.46
Financial liabilities	1,277.15	381.12

A change of 50 basis points in interest rates at the reporting date would have increased or decreased finance costs by ₹ Nil million (Previous year ₹ 1.90 million).

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

30 Other equity

(i) Capital reserve

Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.

(ii) Capital redemption reserve

Represents the nominal amount of the preference share capital on redemption of 400,000, 0.01% cumulative redeemable preference shares.

(iii) Amalgamation reserve

Represents the amount credited on account of cancellation of stock options issued pursuant to the scheme of amalgamation and acquisition.

(iv) Securities premium reserve

Securities premium is used to record the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013.

(v) Share based payment reserve

The Company has established various equity-settled share based payment plans for certain categories of employees of the Company. Refer note 41 for further details.

31 Disclosure as per the requirement of section 22 of the Micro, Small and Medium Enterprise Development Act, 2006:

- a. Principal amount payable to Micro and Small Enterprises (to the extent identified by the Company from available information) as at 31 March 2020 is ₹ 4.34 million (Previous year - ₹ 10.51 million). Estimated interest * due thereon is ₹ 0.36 million (Previous year - ₹ 0.53 million).
- b. Amount of payments made to suppliers beyond the appointed date during the year is ₹ 47.99 million (Previous year - ₹ 25.29 million). Interest paid thereon is Nil (Previous year - ₹ Nil) and the estimated interest * due and payable thereon is ₹ 2.06 million (Previous year - ₹ 0.65 million).
- c. The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under Micro, Small and Medium Enterprises Development Act 2006 is Nil
- d. The amount of estimated interest accrued and remaining unpaid as at 31 March 2020 is ₹ 2.42 million (Previous year - ₹ 1.33 million).
- e. The amount of further estimated interest due and payable for the period from 1 April 2019 to actual date of payment or 20 April 2020 (whichever is earlier) is Nil

*The interest is not accrued.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

32 Disclosures as per Ind AS 115 - Revenue from Contract with Customers

a. Disaggregation of revenue from contracts with customers

Set out below is the disaggregation of the Company's revenue from contracts with customers for continuing operations:

Revenue for year ended 31 March 2020

Particulars	Digital Transformation (DT)	Integrated Enterprise Solution (IES)	SAP	Others	Total
External Customers	4,230.37	4,232.89	2,541.18	3,617.20	14,621.64
Total revenue from contracts with customers	4,230.37	4,232.89	2,541.18	3,617.20	14,621.64
Geographical Markets					
a. Americas	2,425.01	3,120.63	1,018.02	2,603.75	9,167.41
b. UK and Europe	740.27	468.36	696.32	419.16	2,324.11
c. Rest of World	1,065.09	643.90	826.83	594.30	3,130.12
Total revenue from contracts with customers	4,230.37	4,232.90	2,541.17	3,617.21	14,621.64

Revenue for year ended 31 March 2019

Particulars	Digital Transformation (DT)	Integrated Enterprise Solution (IES)	SAP	Others	Total
External Customers	2,464.56	3,574.08	2,169.93	1,811.30	10,019.87
Total revenue from contracts with customers	2,464.56	3,574.08	2,169.93	1,811.30	10,019.87
Geographical Markets					
a. Americas	1,309.72	2,476.17	878.20	1,200.00	5,864.09
b. UK and Europe	848.37	735.56	806.53	403.48	2,793.94
c. Rest of World	306.47	362.35	485.20	207.82	1,361.84
Total revenue from contracts with customers	2,464.56	3,574.08	2,169.93	1,811.30	10,019.87

b. Trade receivables and Contract balances:

Particulars	31 March 2020	31 March 2019
Trade Receivables	3,923.15	3,728.11
Contract assets (including unbilled revenue)	597.42	615.17
Unearned Revenue	568.86	254.98

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue for time and material contracts are recognized as related services are performed. Revenue for fixed price maintenance and support services contracts is recognized on a straight line basis over the period of the contract. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Revenue recognition for fixed price contracts (other than fixed price maintenance and support services contracts) is based on the Percentage of completion method. ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

Trade receivables are non-interest bearing and generally have a credit period of 60 days.

Changes in contract assets (including unbilled revenue)	31 March 2020	31 March 2019
Balance at the beginning of the year	615.17	464.50
Transfer to Resulting Company (Refer note 44)	-	451.86
Transfer from Transferor Company (Refer note 44)	-	151.86
Revenue recognized net of invoices raised during the year	(17.75)	450.67
Balance at the end of the year	597.42	615.17

The unearned revenue primarily relate to the advance consideration received on contracts entered with customers for which no work is performed at the reporting date, and therefore revenue will be recognized when rights become unconditional.

Changes in unearned revenue	31 March 2020	31 March 2019
Balance at the beginning of the year	254.98	629.59
Transfer to Resulting Company (Refer note 44)	-	111.15
Transfer from Transferor Company (Refer note 44)	-	40.34
Revenue recognized net of unearned revenue for the year	(313.88)	(303.80)
Balance at the end of the year	568.86	254.98

Revenue recognized during the current year from:	31 March 2020	31 March 2019
Amounts included in contract liability at the beginning of the period (net of transfer to resulting entity)	(313.88)	303.80
Performance obligations satisfied in previous periods	-	-

c. Performance Obligation

While disclosing the aggregate amount of transaction price yet to be recognized as revenue towards unsatisfied (or partially) satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revaluations of the estimates, economic factors (changes in currency rates, tax laws etc).

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) are as follows:

Particulars	31 March 2020	31 March 2019
Within one year	1,119.62	765.36
More than one year	5,476.24	165.21

d. Contract Fulfillment Cost:

The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is amortized on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates.

Changes in Contract Fulfillment Cost	31 March 2020	31 March 2019
Opening Balance	-	-
Cost incurred during the period qualifying as contract fulfillment cost	29.69	-
Amortized in the reporting period	3.44	-
Closing balance	26.25	-

Further, refer note 43 for evaluation of impact of COVID 19.

33 Expenditure and Earnings in foreign Currency

A. Expenditure in foreign currency for continuing and discontinued operation

Particulars	31 March 2020	31 March 2019
Salaries and wages	246.58	141.93
Cost of professional subcontracting	176.75	81.26
Cost of service delivery	22.28	17.10
Recruitment and training expenses	8.85	44.58
Travelling expenses	58.84	46.80
Marketing expenses	2.79	3.84
Professional expenses	14.42	32.73
Finance charges	-	2.57
Other expenses	57.64	49.54
Total	588.15	420.35

B. Earnings in foreign currency for continuing and discontinued operation

Particulars	31 March 2020	31 March 2019
Software services	11,920.55	11,548.51
Interest Income	3.66	3.32
Total	11,924.21	11,551.83

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

34 Particulars of loans and advances in nature of loans required to be disclosed in the annual accounts of the Company pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name of party	31 March 2020		31 March 2019	
	Balance	Maximum amount outstanding	Balance	Maximum amount outstanding
Impact Automotive Solutions Limited*	-	-	-	107.52
KPIT Technologies Limited (Erstwhile KPIT Engineering Limited) (including interest)	-	-	-	1,319.18

* Transferred to Resulting Company consequent to composite scheme of arrangement

35 Details of employee benefits as required by Ind-AS 19 - "Employee benefits are as under":

1 Defined contribution plan - Provident fund

Amount recognized as an expense in the Statement of Profit and Loss in respect of defined contribution plan is ₹ 345.28 million (Previous year ₹ 302.55 million (₹ 105.86 million pertains to discontinued operations) (Refer note 44))

2 Defined benefit plan-unfunded

- The defined benefit plan comprises gratuity, which is un-funded.
- Actuarial gains and losses in respect of defined benefit plans are recognized in the Other Comprehensive Income (OCI).

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Gratuity is a benefit to an employee in India based on 15 days last drawn salary for each completed year of service with a vesting period of five years.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk.

Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows :

Particulars	31 March 2020	31 March 2019
Present value of defined benefit obligation at the beginning of the year	235.51	368.90
Current service cost	34.96	48.00
Interest cost	17.62	24.60
Past service cost	-	-
Actuarial loss / (Gain) recognized in other comprehensive income		
a) changes in demographic assumptions	-	-
b) changes in financial assumptions	18.52	3.50
c) experience adjustments	21.16	27.12
Liability transferred to resulting company on account of demerger	(3.95)	(198.35)
Liability transferred out/ disinvestment	-	-
Benefits paid	(44.93)	(38.26)
Present value of defined benefit obligation at the end of the year	278.89	235.51

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Analysis of defined benefit obligation	31 March 2020	31 March 2019
Present value of obligation as at the end of the year	278.89	235.51
Net (asset) / liability recognized in the Balance Sheet	278.89	235.51

Components of employer expenses/remeasurement recognized in the statement of Profit and Loss	31 March 2020	31 March 2019
Current service cost	34.96	48.00
Interest cost	17.62	24.60
Expenses recognized in the Statement of Profit and Loss	52.58	72.60

Components of employer expenses/remeasurement recognized in the Other Comprehensive Income (OCI)	31 March 2020	31 March 2019
Actuarial loss / (gain)	39.68	30.62
Net (income)/expense recognized in the OCI	39.68	30.62

Actuarial Assumptions:	31 March 2020	31 March 2019
Discount rate	6.59%	7.48%
Salary Escalation	5.00%	5.00%

Attrition Rate	31 March 2020	31 March 2019
- 2 years and below	25.00%	25.00%
- between 3 and 4 years	20.00%	20.00%
- 5 years and above	7.50%	7.50%

- The discount rate is based on prevailing yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.
- Salary Escalation Rate: The estimates of future salary increases takes into account the inflation, seniority, promotion and other relevant factors.
- Assumptions regarding future mortality rates are the rates as given under Indian Assured Lives Mortality (2006-08) Ultimate.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Projected benefit obligation on current assumptions	31 March 2020		31 March 2019	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (1 % movement)	(20.66)	23.83	(16.60)	19.05
Future salary growth (1 % movement)	23.97	(21.14)	19.35	(17.11)
Attrition rate (1 % movement)	1.68	(2.04)	2.78	(3.24)

Maturity profile of defined benefit plan

Projected benefits payable in future years from the date of reporting	31 March 2020	31 March 2019
With 1 year	24.01	21.33
1-2 year	21.63	20.92
2-3 year	22.45	20.75
3-4 year	23.11	20.47
4-5 year	23.54	20.72
5-10 years	114.67	103.47
Thereafter	305.95	278.96

Maturity profile of defined benefit plan

Particulars	31 March 2020	31 March 2019
Number of active members	6,342	6,095
Per month salary cost for all active members (₹ million)	145.15	125.24
Weighted average duration of the projected benefit obligation (years)	9.00	9.00
Average expected future service (years)	7.00	7.00
Projected benefit obligation (PBO)	278.89	235.51

3) Defined benefit plan - Funded

This defined benefit plans pertained to Birlasoft (India) Limited. This is transferred from Transferor Company as a part of the Composite Scheme of arrangement. This comprises gratuity, which is fully funded.

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Gratuity is a benefit to an employee in India based on 15 days of last drawn salary for each completed year of service with a vesting period of 5 years.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows :

Particulars	31 March 2020	31 March 2019
Present value of defined benefit obligation at the beginning of the year	173.99	-
Addition on account of amalgamation of the transferor company	-	185.62
Current service cost	29.52	6.74
Interest cost	12.20	3.47
Actuarial loss / (Gain) recognized in other comprehensive income		
a) changes in demographic assumptions	(0.05)	(3.96)
b) changes in financial assumptions	23.06	(10.18)
c) experience adjustments	(23.42)	(3.57)
Benefits paid	(15.34)	(4.13)
Present value of defined benefit obligation at the end of the year	199.96	173.99

Changes in the plan assets representing reconciliation of opening and closing balances thereof are as follows :

Particulars	31 March 2020	31 March 2019
Fair value of plan assets at the beginning of the year	186.21	-
Addition on account of amalgamation of the transferor company	-	186.06
Actual return on plan assets	10.71	3.58
Fund Charges	(0.68)	(0.22)
Employer contribution	8.10	-
Benefits paid	(16.03)	(4.13)
Bank Balance in Gratuity Trust Bank account	-	0.92
Fair value of plan assets at the end of the period	188.31	186.21

Analysis of defined benefit obligation	31 March 2020	31 March 2019
Present value of obligation as at the end of the year	199.96	173.99
Fair value of plan assets	188.31	186.21
Net (asset) / liability recognized in the Balance Sheet	11.65	(12.22)

Components of employer expenses/remeasurement recognized in the Statement of Profit and Loss	31 March 2020	31 March 2019
Current service cost	29.52	6.74
Interest cost	12.20	3.47
Interest income on plan assets	10.71	3.58
Expenses recognized in the Statement of Profit and Loss	31.01	6.63

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Components of employer expenses/remeasurement recognized in the Other Comprehensive Income (OCI)	31 March 2020	31 March 2019
Actuarial loss / (gain) for the year on PBO	(0.41)	(17.71)
Actuarial loss / (gain) for the year on assets	2.75	0.11
Net (income) / expense recognized in the OCI	2.34	(17.60)

Actuarial assumptions:	31 March 2020	31 March 2019
Discount rate	5.57%	7.18%
Salary escalation	5.00%	5.00%
Attrition Rate		
- 2 years and below	25.00%	25.00%
- 3 years to 4 years	20.00%	20.00%
- 5 years and above	7.50%	7.50%

- The discount rate is based on prevailing yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.
- Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
- Assumptions regarding future mortality rates are the rates as given under Indian Assured Lives Mortality (2006-08) Ultimate.

Major categories of plan assets (as percentage of total plan assets)

Actuarial assumptions:	31 March 2020	31 March 2019
Funds managed by insurer	100%	100%

Expected contribution for the next Annual reporting period.

Particulars	31 March 2020	31 March 2019
Service cost	39.51	38.15
Net interest cost	0.65	(0.05)
Expected expense for the next annual reporting period	40.16	38.10

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Projected benefit obligation on current assumptions	31 March 2020		31 March 2019	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (1 % movement)	(15.44)	16.50	(6.46)	6.90
Future salary growth (1% movement)	15.83	(15.20)	6.74	(6.44)
Demographic Assumptions (1 % movement)	1.65	(2.03)	-	-

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these not calculated.

Maturity profile of defined benefit plan

Projected benefits payable in future years from the date of reporting	31 March 2020	31 March 2019
Within 1 year	13.37	12.96
1-2 year	30.50	2.66
2-3 year	26.38	2.93
3-4 year	22.26	2.85
4-5 year	18.53	2.85
5-6 year	15.63	4.56
Thereafter	73.30	145.18

Weighted average assumptions used to determine net periodic benefit cost

Particulars	31 March 2020	31 March 2019
For Birlasoft Limited		
Number of active members	2,626	2,526
Per month salary cost for all active members (₹ million)	103.21	91.71
Weighted average duration of the projected benefit obligation (years)	5.47	3.79
Average expected future service (years)	26.59	27.26
Projected benefit obligation (PBO)	199.96	173.99

36 Segment information

Where a financial report contains both consolidated financial statements and separate financial statements of the parent, segment information needs to be presented only in case of consolidated financial statements. Accordingly, segment information has been provided only in the consolidated financial statements.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

37 Related party disclosures

A. Relationship between the parent and its subsidiaries:

Relationship	Name of related party
Subsidiary Companies (Direct holding)	Birlasoft Solutions Inc (erstwhile KPIT Infosystems Incorporated, USA)
	Birlasoft Solutions France (erstwhile KPIT Technologies France SAS)
	Birlasoft Computer Corporation, USA (erstwhile SYSTIME Computer Corporation, USA)
	Birlasoft Solutions ME FZE (erstwhile KPIT Infosystems ME FZE, Dubai)
	Birlasoft Solutions Limited (erstwhile KPIT Infosystems Limited) (w.e.f. 18 April 2018)
	Birlasoft Sdn Bhd (w.e.f. 01 January 2019)
	Birlasoft Inc. (w.e.f. 01 January 2019)
	KPIT Technologies (UK) Limited (upto 01 January 2019)
	KPIT (Shanghai) Software Technology Co. Limited, China (upto 01 January 2019)
	KPIT Technologies Netherlands B.V (upto 01 January 2019)
	Impact Automotive Solutions Limited (upto 01 January 2019)
	KPIT Technologies Limited (erstwhile KPIT Engineering Limited) (upto 01 January 2019)
	KPIT Technologies Limited GK (Japan) (w.e.f. 02 April 2018 and upto 01 January 2019)
Subsidiary Companies (Indirect holding)	Birlasoft Solutions Ltda (erstwhile KPIT TECHNOLOGIES SOLUÇÕES EM INFORMÁTICA LTDA.) (Subsidiary of Birlasoft Solutions Inc, USA)
	Birlasoft Consulting Inc. (erstwhile Sparta Consulting Inc., USA) (Subsidiary of Birlasoft Solutions Inc, USA)
	Birlasoft Technologies Canada Corporation (erstwhile KPIT Technologies Corporation) (Subsidiary of Birlasoft Computer Corporation, USA)
	Birlasoft Solutions GmbH (erstwhile KPIT Solutions GmbH, Germany) (Subsidiary of KPIT Infosystems Ltd. (UK)
	Birlasoft Solutions Mexico, S.A. DE C.V. (erstwhile KPIT Infosystems Mexico, S.A. DE) (Subsidiary of Birlasoft Solutions Inc, USA)
	Enable Path LLC (Subsidiary of Birlasoft Inc.) (w.e.f. 01 January 2019)
	Birlasoft (UK) Limited (Subsidiary of Birlasoft Inc.) (w.e.f. 01 January 2019)
	Birlasoft GmbH (Subsidiary of Birlasoft (UK) Limited) (w.e.f. 01 January 2019)
	KPIT Technologies Inc (US) (Subsidiary of KPIT Technologies Holding Inc (US)) (upto 01 January 2019)
	KPIT Technologies Holding Inc (US) (Subsidiary of KPIT Technologies Limited (erstwhile KPIT Engineering Limited)) (upto 01 January 2019)
	KPIT Technologies PTE Limited (Subsidiary of KPIT Engineering Limited) (upto 01 January 2019)
	KPIT Technologies GmbH, Germany (Subsidiary of KPIT Technologies (UK) Limited) (upto 01 January 2019)
	MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil (Subsidiary of KPIT Technologies Limited) (upto 01 January 2019)
	MicroFuzzy Industrie-Elektronik GmbH (Subsidiary of KPIT Technologies GmbH) (upto 01 January 2019)

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Relationship	Name of related party
Entities jointly controlled by a Group having joint control over the reporting entity*	KPIT Technologies (UK) Limited (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT (Shanghai) Software Technology Co. Limited, China (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies Netherlands B.V (w.e.f. 01 January 2019 upto 31 January 2020)
	Impact Automotive Solutions Limited (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies Holding Inc (US) (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies Inc (US) (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies Limited GK (Japan) (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies Limited (erstwhile KPIT Engineering Limited) (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies GmbH, Germany (w.e.f. 01 January 2019 upto 31 January 2020)
	MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil (w.e.f. 01 January 2019 upto 31 January 2020)
	MicroFuzzy Industrie-Elektronic GmbH (w.e.f. 01 January 2019 upto 31 January 2020)
	KPIT Technologies PTE Limited (w.e.f. 01 January 2019 upto 31 January 2020)
	Yantra Digital Services Private Limited, India (Joint venture of Impact Automotive Solutions Limited) (w.e.f. 01 January 2019 upto 31 January 2020)
Joint Venture	Yantra Digital Services Private Limited, India (w.e.f. 01 February 2018 through Impact Automotive Solutions Limited upto 01 January 2019)**
Enterprise having joint control over entity*	National Engineering Industries Limited (w.e.f. 15 January 2019 upto 31 January 2020)
	Central India Industries Limited (w.e.f. 15 January 2019 upto 31 January 2020)
	Proficient FinStock LLP (w.e.f. 15 January 2019 upto 31 January 2020)
Enterprise having significant influence over the entity	National Engineering Industries Limited (w.e.f. 01 February 2020)
Public Companies in whose paid up share capital, Director and relatives jointly hold more than 2%	Orient Cement Limited
	Orient Electric Limited

*As a part of Composite Scheme, these entites were transferred to the Resulting Company on appointed date. As on 31 March 2019, these entities are related party due to Joint Control.

As per the agreement between the parties, consequent to the National Company Law Tribunal (NCLT) approved composite scheme, the joint control between the Transferee Company i.e. Birlasoft Limited (erstwhile KPIT Technologies Limited) and the Resulting Company i.e. KPIT Technologies Limited (erstwhile KPIT Engineering Limited) has concluded effective February 1, 2020.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

B. List of Key Management Personnel :

Key Management Personnel (KMP)	Mrs. Amita Birla (w.e.f. 15 January 2019)	Chairperson and Non-Executive Director
	Mr. C. K. Birla (w.e.f. 15 January 2019)	Non-Executive Director
	Mr. Dharmander Kapoor (w.e.f. 01 June 2019)	Chief Executive Officer & Managing Director
	Mr. Anjan Lahiri (upto 31 May 2019)	1. Nominee Director (w.e.f. 23 May 2018 upto 15 January 2019) 2. Managing Director & Chief Executive Officer (w.e.f. 16 January 2019)
	Mr. Pawan Sharma (w.e.f. 15 January 2019 upto 31 May 2019)	Executive Director
	Mr. Rajeev Gupta (w.e.f. 16 January 2019 upto 31 March 2020)	Chief Financial Officer
	Ms. Sneha Padve	Company Secretary
	Ms. Alka Bharucha (w.e.f. 23 May 2018)	Independent Director
	Ms. Nandita Gurjar (w.e.f. 15 January 2019)	Independent Director
	Mr. Ashok Barat (w.e.f. 15 January 2019)	Independent Director
	Mr. Anant Talaulicar	Independent Director
	Mr. Sachin Tikekar (upto 15 January 2019)	Executive Director
	Mr. Ashok Barat (w.e.f. 15 January 2019)	Independent Director
	Mr. Prasad Thrikutam (w.e.f. 15 January 2019)	Independent Director
Key Management Personnel (KMP)	Mr. Nikhil Jakatdar (w.e.f. 24 January 2018 upto 15 January 2019)	Independent Director
	Mr. S.B.(Ravi) Pandit (upto 15 January 2019)	Executive Director
	Mr. Kishor Patil (upto 15 January 2019)	Executive Director
	Lila Poonawalla (upto 15 January 2019)	Independent Director
	Prof. Alberto Sangiovanni Vincentelli (upto 15 January 2019)	Independent Director
	B V R Subbu (upto 15 January 2019)	Non- executive Director
	Mr. Anil Patwardhan (upto 23 May 2018)	Chief Financial Officer
	Mr. Vinit Teredesai (w.e.f. 24 May 2018 upto 15 January 2019)	Chief Financial Officer
	Mr. Adi Engineer (upto 15 January 2019)	Independent Director

C. List of other related parties with whom there are transactions

Relative of Directors & KMP	Mr. Chinmay Pandit (upto 15 January 2019)
	Ms. Jayada Pandit (upto 15 January 2019)
	Mr. Shreyas Patwardhan (upto 23 May 2018)
Enterprise over which KMP have significant influence	KP Corporate Solutions Ltd. (upto 15 January 2019)
	Proficient FinStock LLP (upto 15 January 2019)
	Kirtane & Pandit LLP (upto 15 January 2019)
Others	CK Birla Corporate Services Limited**** (w.e.f. 15 January 2019)

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

SI	Nature of Transaction	31 March 2020 Amount of transactions during the year	31 March 2019 Amount of transactions during the year
Transactions with entities jointly controlled by a group having joint control over the reporting entities:			
1	Sales /(Reversal)		
	Birlasoft Solutions Inc	3,886.64	4,568.74
	Birlasoft Solutions France	174.58	146.26
	Birlasoft Consulting Inc.	820.14	855.02
	Birlasoft Computer Corporation, USA	758.90	645.64
	Birlasoft Solutions ME FZE	7.06	NIL
	Birlasoft Solutions ME FZE (Australia Branch)	7.59	22.13
	Birlasoft Solutions ME FZE (Korea Branch)	-	7.70
	Birlasoft Technologies Canada Corporation	371.97	350.74
	Birlasoft Solutions GmbH	517.12	156.38
	Birlasoft Solutions Limited	431.91	199.64
	Birlasoft Sdn Bhd	4.82	1.09
	Birlasoft Inc.	3,328.60	825.84
	Birlasoft (UK) Limited	235.70	103.20
	Birlasoft (UK) Limited , Netherlands Branch	86.78	-
	KPIT Technologies (UK) Limited***	-	1,083.71
	KPIT (Shanghai) Software Technology Co. Limited, China***	6.36	122.90
	KPIT Technologies Netherlands B.V. ***	-	171.45
	KPIT Technologies GmbH, Germany ***	-	882.92
	Impact Automotive Solutions Limited***	-	22.58
	MicroFuzzy Industrie-Elektronik GmbH***	-	64.40
	KPIT Technologies (UK) Limited (Sweden Branch)***	-	58.69
	KPIT Technologies Inc (US) w.e.f. April 3, 2018*****	(3.34)	512.21
	KPIT Technologies Limited GK (Japan) w.e.f. April 2, 2018***	7.02	101.34
	KPIT Technologies PTE Limited (w.e.f. Nov. 11, 2018)***	-	1.28
	KPIT Technologies (UK) Limited (Italy Branch)***	-	4.44
	KPIT Technologies Limited ***	2.08	104.39
2	Software Service Charges		
	Birlasoft Solutions Inc	0.87	3.18
	Birlasoft Computer Corporation, USA	0.68	0.53
	Birlasoft Solutions ME FZE (Australia Branch)	-	1.75
	Birlasoft Solutions ME FZE (Korea Branch)	-	0.48
	Birlasoft Technologies Canada Corporation	0.08	(0.03)
	Birlasoft (UK) Limited	-	75.97

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

SI	Nature of Transaction	31 March 2020 Amount of transactions during the year	31 March 2019 Amount of transactions during the year
	KPIT Technologies (UK) Limited ***	-	2.45
	KPIT (Shanghai) Software Technology Co. Limited, China***	-	0.55
	KPIT Technologies GmbH, Germany ***	-	15.71
	MicroFuzzy Industrie-Elektronik GmbH***	-	0.89
	KPIT Technologies PTE Limited (w.e.f. Nov. 11, 2018)***	1.00	-
	KPIT Technologies Holding Inc (US) w.e.f. Sep 6, 2018***	-	-
	KPIT Technologies Inc (US) w.e.f. April 3, 2018***	-	0.18
	KPIT Technologies Limited GK (Japan) w.e.f. April 2, 2018***	-	15.77
	KPIT Technologies Limited ***	22.26	185.59
3	Advance (Net)		
	Birlasoft Solutions Inc	26.85	22.3
	Birlasoft Solutions France	(0.51)	1.87
	Birlasoft Consulting Inc.	1.64	0.82
	Birlasoft Computer Corporation, USA	1.59	1.66
	Birlasoft Solutions ME FZE	0.40	3.66
	Birlasoft Solutions ME FZE (Australia Branch)	(0.53)	-
	Birlasoft Solutions ME FZE (Korea Branch)	-	0.20
	Birlasoft Technologies Canada Corporation	0.74	1.14
	Birlasoft Solutions Limited	0.67	
	KPIT Technologies (UK) Limited***	-	12.56
	KPIT Technologies (UK) Limited (Sweden Branch)***	-	0.66
	KPIT (Shanghai) Software Technology Co. Limited, China***	0.42	0.10
	KPIT Technologies Netherlands B.V.***	-	1.00
	KPIT Technologies Limited (erstwhile KPIT Engineering Limited)***	(43.48)	1,939.03
	KPIT Technologies GmbH, Germany ***	-	23.16
	KPIT Technologies Limited GK (Japan) w.e.f. April 2, 2018***	0.81	(2.17)
4	Reimbursement of Expenses (Net)		
	Birlasoft Solutions Inc	2.26	(1.73)
	Birlasoft Solutions France	2.66	0.04
	Birlasoft Consulting Inc.	0.85	(0.01)
	Birlasoft Computer Corporation, USA	2.47	(0.46)
	Birlasoft Solutions ME FZE (Australia Branch)	-	0.02
	Birlasoft Solutions ME FZE (Korea Branch)	-	0.02
	Birlasoft Technologies Canada Corporation	1.47	(0.27)
	Birlasoft Solutions GmbH	-	0.42

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

SI	Nature of Transaction	31 March 2020 Amount of transactions during the year	31 March 2019 Amount of transactions during the year
	Birlasoft Solutions Limited	1.87	0.33
	Birlasoft Sdn Bhd	-	0.44
	Birlasoft Inc.	15.50	5.48
	Birlasoft (UK) Limited	48.62	13.14
	KPIT Technologies (UK) Limited	-	0.63
	KPIT Technologies (UK) Limited (Sweden Branch)***	-	(0.16)
	KPIT (Shanghai) Software Technology Co. Limited, China***	(6.75)	0.02
	KPIT Technologies Netherlands B.V.***	-	(0.06)
	KPIT Technologies GmbH, Germany ***	-	2.17
	Impact Automotive Solutions Limited***	-	0.28
	KPIT Technologies Inc (US) w.e.f. April 3, 2018***	-	0.37
	KPIT Technologies Limited GK (Japan) w.e.f. April 2, 2018***	(14.08)	0.01
	KPIT Technologies Limited (erstwhile KPIT Engineering Limited)***	(140.84)	414.90
5	Reimbursement revenue		
	Birlasoft Solutions Inc	105.34	141.04
	Birlasoft Solutions France	0.37	5.76
	Birlasoft Consulting Inc.	117.81	152.41
	Birlasoft Computer Corporation, USA	10.75	4.86
	Birlasoft Solutions ME FZE (Australia Branch)	-	NIL
	Birlasoft Technologies Canada Corporation	10.20	8.43
	Birlasoft Solutions GmbH	6.81	2.70
	Birlasoft Solutions Limited	2.91	0.96
	Birlasoft Sdn Bhd	0.06	-
	Birlasoft Inc.	-	-
	Birlasoft (UK) Limited	6.72	-
	KPIT Technologies (UK) Limited***	-	28.76
	KPIT Technologies GmbH, Germany***	-	9.53
	KPIT (Shanghai) Software Technology Co. Limited, China***	-	8.19
	KPIT Technologies Netherlands B.V.***	-	(0.96)
	KPIT Technologies (UK) Limited (Sweden Branch)***	-	0.81
	KPIT Technologies Inc (US) w.e.f. April 3, 2018***	-	10.20
	KPIT Technologies (UK) Limited (Italy Branch)***	-	0.19
	KPIT Technologies Limited GK (Japan) w.e.f. April 2, 2018***	-	1.08
	KPIT Technologies Limited (erstwhile KPIT Engineering Limited)***	-	NIL

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

SI	Nature of Transation	31 March 2020 Amount of transactions during the year	31 March 2019 Amount of transactions during the year
6	Investment in equity		
	KPIT Technologies (UK) Limited*****	NIL	120.00
	KPIT Technologies Limited GK (Japan) w.e.f. April 2, 2018***	NIL	18.08
	Birlasoft Solutions Limited (erstwhile KPIT Infosystems Limited (UK)	NIL	47.49
7	Guarantee fees		
	Birlasoft Solutions Inc	3.66	3.50
8	Loan granted		
	KPIT Technologies Limited ***	-	1,300.00
9	Loan Repaid		
	KPIT Technologies Limited ***	-	1,300.00
10	Interest income		
	Impact Automotive Solutions Limited***	-	6.88
	KPIT Technologies Limited ***	-	48.51
11	Others		
	Impact Automotive Solutions Limited***		5.27
12	Outstanding receivables against sales		
	Birlasoft Solutions Inc	1,002.84	809.36
	Birlasoft Solutions France	125.80	94.04
	Birlasoft Consulting Inc.	232.39	426.46
	Birlasoft Computer Corporation, USA	116.44	440.88
	Birlasoft Solutions ME FZE	(6.12)	(15.76)
	Birlasoft Solutions ME FZE (Australia Branch)	75.25	44.00
	Birlasoft Solutions ME FZE (Korea Branch)	6.36	(2.54)
	Birlasoft Technologies Canada Corporation	106.54	222.35
	Birlasoft Solutions GmbH	409.99	135.39
	Birlasoft Solutions Limited	159.11	141.62
	Birlasoft Sdn Bhd	0.29	4.86
	Birlasoft Inc.	145.98	78.16
	Birlasoft (UK) Limited	70.85	68.42
	Birlasoft (UK) Limited , Netherlands Branch	26.39	-
	KPIT Technologies (UK) Limited ***	-	531.45
	KPIT Technologies (UK) Limited (Sweden Branch)***	-	23.19
	KPIT Technologies (UK) Limited (Italy Branch)***	-	4.42
	KPIT (Shanghai) Software Technology Co. Limited, China***	-	120.02
	KPIT Technologies Netherlands B.V. ***	-	35.23
	KPIT Technologies GmbH, Germany ***	-	464.35

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

SI	Nature of Transaction	31 March 2020 Amount of transactions during the year	31 March 2019 Amount of transactions during the year
	MicroFuzzy Industrie-Elektronik GmbH***	-	51.50
	KPIT Technologies PTE Limited (w.e.f. Nov. 11, 2018)***	-	1.35
	KPIT Technologies Inc (US) w.e.f. April 3, 2018***	-	454.35
	KPIT Technologies Limited GK (Japan) w.e.f. April 2, 2018***	-	34.98
	KPIT Technologies Limited (erstwhile KPIT Engineering Limited)***	-	147.99
13	Outstanding payable against software service charges		
	Birlasoft Solutions Inc	(0.08)	(0.25)
	Birlasoft Computer Corporation, USA	(0.24)	(0.20)
	Birlasoft Solutions ME FZE (Australia Branch)	3.18	3.38
	Birlasoft Solutions ME FZE (Korea Branch)	-	0.03
	Birlasoft Technologies Canada Corporation	-	0.03
	KPIT Technologies (UK) Limited ***	-	(0.01)
	KPIT (Shanghai) Software Technology Co. Limited, China***	-	(5.14)
	KPIT Technologies Limited GK (Japan) w.e.f. April 2, 2018***	-	(10.96)
	KPIT Technologies Limited ***	-	185.82
14	Outstanding against advances		
	Birlasoft Solutions Inc	43.75	8.08
	Birlasoft Solutions France	3.25	0.88
	Birlasoft Consulting Inc.	0.61	(0.01)
	Birlasoft Computer Corporation, USA	1.53	0.55
	Birlasoft Solutions ME FZE	4.62	3.84
	Birlasoft Solutions ME FZE (Australia Branch)	(0.38)	0.12
	Birlasoft Solutions ME FZE (Korea Branch)	1.87	1.86
	Birlasoft Technologies Canada Corporation	2.02	(0.10)
	Birlasoft Solutions GmbH	0.43	0.39
	Birlasoft Solutions Limited	2.20	0.32
	Birlasoft Sdn Bhd	12.64	12.16
	Birlasoft Inc.	18.06	5.20
	Birlasoft (UK) Limited	4.49	9.97
	KPIT Technologies (UK) Limited ***	-	(0.14)
	KPIT Technologies (UK) Limited (Sweden Branch)***	-	0.04
	KPIT Technologies Netherlands B.V. ***	-	(0.07)
	KPIT Technologies GmbH, Germany ***	-	(0.87)
	Impact Automotive Solutions Limited***	-	0.07
	KPIT Technologies Limited GK (Japan) w.e.f. April 2, 2018***	-	(2.17)
	KPIT Technologies Limited ***	-	(1,515.26)

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

SI	Nature of Transaction	31 March 2020 Amount of transactions during the year	31 March 2019 Amount of transactions during the year
15	Outstanding against Investment in equity		
	Birlasoft Solutions Inc	2,879.17	2,879.17
	Birlasoft Solutions France	215.97	215.97
	Birlasoft Computer Corporation, USA	469.36	469.36
	Birlasoft Solutions ME FZE	25.41	25.41
	Birlasoft Solutions Limited	47.49	47.49
	Birlasoft Sdn Bhd	*0.00	*0.00
	Birlasoft Inc.	25.90	25.90
	Birlasoft Solutions Ltda	0.04	0.04
	Transactions with KMP		
1	Short term employee benefits		
	Mr.Dharmander Kapoor	30.04	NA
	Mr.Pawan Sharma	2.50	1.10
	Mr.Anjan Lahiri	8.27	6.58
	Mr.Rajeev Gupta	23.94	4.10
	Ms.Sneha Padve	5.88	4.93
	Mr. S. B. (Ravi) Pandit	NA	42.37
	Mr. Kishor Patil	NA	36.97
	Mr. Sachin Tikekar	NIL	33.62
	Mr. Anil Patwardhan	NA	3.54
	Mr.Vinit Teredesai	NA	6.34
2	Post employment benefit plans		
	Mr.Dharmander Kapoor	1.82	NIL
	Mr.Pawan Sharma	4.45	0.14
	Mr.Anjan Lahiri	1.35	0.25
	Mr.Rajeev Gupta	0.99	0.15
	Ms.Sneha Padve	0.15	0.14
	Mr. S. B. (Ravi) Pandit	NA	1.09
	Mr. Kishor Patil	NA	0.87
	Mr. Sachin Tikekar	NIL	0.31
	Mr. Anil Patwardhan	NA	1.64
	Mr.Vinit Teredesai	NA	0.16
3	Perquisite Value		
	Mr.Dharmander Kapoor	21.91	NIL
	Mr.Anjan Lahiri	163.09	NIL
	Mr. Kishor Patil	NA	0.34

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

SI	Nature of Transaction	31 March 2020 Amount of transactions during the year	31 March 2019 Amount of transactions during the year
4	Reimbursement of expenses (net)		
	Mr. Dharmander Kapoor	0.75	NIL
	Mr.Pawan Sharma	NA	0.00*
	Mr. Ashok Barat	0.06	NIL
	Ms.Sneha Padve	NA	0.11
	Mr.Prasad Thrikutam	0.93	0.37
	Mr. S. B. (Ravi) Pandit	NA	0.32
	Mr. Rajeev Gupta	0.44	NIL
	Ms. Sneha Padve	0.14	0.11
	Mr. Kishor Patil	NA	0.55
	Mr. Sachin Tikekar	NIL	0.24
	Ms. Alka Bharucha	0.17	NIL
	Mr. Anil Patwardhan	NA	NIL
	Mr.Vinit Teredesai	NA	0.13
5	Commission paid		
	Ms.Amita Birla	0.60	NIL
	Mr.Chandrakant Birla	0.60	NIL
	Mr.Anant Talaulicar	0.60	0.85
	Mr.Alka Marezban Bharucha	0.60	NIL
	Mr.Ashok Kumar Barat	0.60	NIL
	Mr.Nandita Gurjar	0.60	NIL
	Mr.Prasad Thrikutam	0.60	NIL
	Dr. Raghunath Anant Mashelkar	NA	0.85
	Ms.Lila Poonawalla	NA	2.52
	Prof. Alberto Sangiovanni Vincentelli	NA	2.93
	Mr.Adi Engineer	NA	2.38
	Mr.B V R Subbu	NA	2.00
	Dr. Klaus Blickle	NA	1.45
	Mr.Nikhil Jakatdar	NA	0.25
6	Sitting fees		
	Ms.Amita Birla	0.90	0.30
	Mr.Chandrakant Birla	0.50	0.20
	Mr.Anant Talaulicar	1.35	0.41
	Mr.Anjan Lahiri	NA	0.03
	Ms.Alka Marezban Bharucha	0.40	0.32
	Mr.Ashok Kumar Barat	1.10	0.30

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

SI	Nature of Transaction	31 March 2020 Amount of transactions during the year	31 March 2019 Amount of transactions during the year
	Ms.Nandita Gurjar	1.60	0.40
	Mr.Prasad Thrikutam	1.15	0.10
	Mr.Sachin Tikekar	0.50	-
	Ms.Lila Poonawalla	NA	0.19
	Prof. Alberto Sangiovanni Vincentelli	NA	0.05
	Mr.Adi Engineer	NA	0.22
	Mr.B V R Subbu	NA	0.09
	Mr.Nikhil Jakatdar	NA	0.05
8	Repayment of loan granted		
	Mr. Kishor Patil	NA	4.52
9	Interest received		
	Mr. Kishor Patil	NA	0.93
10	Balance outstanding as on 31 March 2020 (Receivable / (Payable))		
	Ms.Sneha Padve	NIL	(0.09)
	Mr.Prasad Thrikutam	NIL	(0.37)
	Mr.Rajeev Gupta	(3.80)	(1.28)
	Mr.Anjan Lahiri	NIL	(2.05)
	Mr.Vinit Teredesai	NIL	(0.02)
	Transactions with relative of KMP		
1	Short term employee benefits		
	Mr. Chinmay Pandit	NA	3.73
	Ms. Jayada Pandit	NA	1.50
	Mr. Shreyas Patwardhan	NA	0.12
2	Post employment benefit plans		
	Mr. Chinmay Pandit	NA	0.09
	Ms. Jayada Pandit	NA	0.04
	Mr. Shreyas Patwardhan	NA	0.00
3	Reimbursement of expenses (net)		
	Mr. Chinmay Pandit	NA	0.53
	Transactions with enterprise over which KMP have significant influence		
1	Kirtane & Pandit LLP		
	Professional fees	NA	0.46
2	KP Corporate Solutions Limited		
	Professional fees	NA	1.20

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

SI	Nature of Transaction	31 March 2020 Amount of transactions during the year	31 March 2019 Amount of transactions during the year
Enterprise having significant influence			
1	Rent		
	National Engineering Industries Limited	1.90	0.89
2	Balance outstanding as on 31 March 2020 [Receivable/(Payable)]		
	National Engineering Industries Limited	0.26	NIL
Others			
1	Corporate assistance and IPR fees		
	CK Birla Corporate Services Limited	48.22	9.27
2	Balance outstanding as on 31 March 2020 [Receivable/(Payable)]		
	CK Birla Corporate Services Limited	(15.99)	NIL
Public Companies in whose paid up share capital Director and relatives jointly hold more than 2%			
1	Sales		
	Orient Cement Limited	0.70	NIL
	Orient Electric Limited	1.80	NIL
2	Balance outstanding as on 31 March 2020 [Receivable/(Payable)]		
	Orient Cement Limited	0.38	NIL
	Orient Electric Limited	2.12	NIL

Note : Remuneration excludes provision for employee benefits as separate actuarial valuation for the directors, key management personnel and their relatives is not available.

All transactions with these related parties are priced on an arm's length basis.

* Denominated in millions

** The investee is a subsidiary as defined under section 2(87) of the Companies Act, 2013. For the purpose of Ind-AS financial statements, the entity has been considered as a Joint Venture as defined under Ind-AS 28 : Investments in Associates and Joint Ventures.

*** Refer note 44 for details of assets and liabilities transferred to KPIT Technologies Limited (Erstwhile KPIT Engineering Limited) as part of transfer of engineering business as per the composite scheme of arrangement.

**** As the company and CK Birla Corporate Services Limited use the same 'CK Birla' brand and are disclosed as being part of the same 'Group' on the website operated by CK Birla Corporate Services Limited, from a good governance perspective the transaction is being reported as a 'related party transaction' under the applicable accounting standards.

***** Consequent to the Composite Scheme of arrangement taking effect, the existing contracts with the customers had to be novated and transferred from KPIT Technologies Limited or its subsidiaries to Birlasoft Limited or its subsidiaries, as applicable. Until the completion of this process of novation and transfer of existing contracts, the Company billed revenue to KPIT Technologies Limited or its subsidiaries, as applicable, who further billed this to the third party customer. Reversals in revenue are on account of reversal of unbilled revenue recognised in the previous year which is subsequently billed directly to the third party customer in the current year on completion of novation of contracts with customers and consequently their transfer in the name of Birlasoft Limited or its subsidiaries, as applicable.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

38 Leases

Transition to IND AS 116

Operating leases

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right of use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Company has used a single discount rate to a portfolio of leases with similar characteristics and in same geography.

On transition, the Group recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, and discounted using the incremental borrowing rate as at 01 April 2019. This had resulted in recognising right-of-use asset of ₹ 1,275.77 million (including finance lease of ₹ 54.33 million) and corresponding lease liability of ₹ 1,262.66 million as at 01 April 2019, after adjusting advance rent of ₹ 25.13 million and lease equalization reserve of ₹ 66.17 million, available as at 31 March 2019, against the right-of-use asset. The discounting rate of 9.20% has been applied for leases in India to recognise the lease liabilities in balance sheet. In the statement of profit and loss the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-of-use assets and finance cost for interest accrued on lease liabilities.

Finance Lease

In respect of lease that were classified as finance lease under Ind AS 17, an amount of ₹ 54.33 million had been reclassified from Property, plant and equipment to right-of-use assets as at 01 April 2019.

Following are the changes in carrying value of right of use assets for year ended 31 March 2020.

Particulars	Category of ROU Assets		
	Land	Office Premises	Total
Right -to use assets created on 01 April 2019 on adoption of IND AS 116.	-	1,221.44	1,221.44
Reclassified on account of adoption of IND AS 116	54.33	-	54.33
Addition	11.40	239.32	250.72
Deletion		13.25	13.25
Depreciation	2.44	285.00	287.44
Balance as on 31 March 2020	63.29	1,162.51	1,225.80

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in statement of profit and loss

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Following is movement in lease liabilities during year ended 31 March 2020

Particulars	31 March 2020
Lease liability created on 01 April 2019 on adoption of IND AS 116.	1,262.66
Additions	224.48
Finance cost during the period	118.81
Deletions	15.22
Payment of lease liabilities	313.57
Balance as on 31 March 2020	1,277.15

The following is breakup of current and non-current lease liabilities as at 31 March 2020

Particulars	31 March 2020
Current lease liabilities	232.07
Non-current lease liabilities	1045.08
Total	1,277.15

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2020 on an undiscounted basis

Particulars	31 March 2020
Less than one year	334.16
One to five years	1,016.62
More than five years	161.35
Total	1,512.13

The difference between the future minimum lease rental commitments towards non-cancellable operating leases and finance leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedient as per the standard.

The company does not face significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. Further, refer note 43 for evaluation of impact of COVID 19:

Amount recognised in profit and loss statement :

Particulars	31 March 2020
Finance cost on lease liabilities	118.81
Expense relating to short term leases	26.12
Expense relating to leases of low value assets excluding short term leases of low value assets	0.20
Expenses relating to variable lease payments not included in measurement of lease liabilities	11.54

Amount recognised in statement of cash flows

Particulars	31 March 2020
Total cash outflow for leases	313.56
Payment for acquiring right-of- use assets	25.01
Total	338.57

Further, refer note 43 for evaluation of impact of COVID 19.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

39 Basic and diluted earnings per share

Particulars		31 March 2020	31 March 2019
Nominal value per equity share	₹	2.00	2.00
Profit for the year from continuing operations	₹ (million)	1,407.54	1,059.01
Profit for the year from discontinued operations	₹ (million)	-	617.33
Weighted average number of equity shares	No. of shares	276,646,908	213,988,814
Earnings per share - Basic	₹		
From continuing operations		5.09	4.95
From discontinued operations		-	2.88
From continuing and discontinued operations		5.09	7.83
Effect of dilutive potential equity shares-			
Employee stock options	No. of shares	1,806,262	2,405,368
Weighted average number of diluted equity shares	No. of shares	278,453,170	216,394,182
Earnings per share - Diluted			
From continuing operations	₹	5.05	4.89
From discontinued operations	₹	-	2.85
From continuing and discontinued operations	₹	5.05	7.74

40 Details of provisions and movements in each class of provisions as required by the Indian Accounting Standard (Ind-As) 37 - Provisions, Contingent liabilities and Contingent assets

1. Warranty

The Company has an obligation by way of warranty to maintain the software during the period of warranty, which may vary from contract to contract, from the date of sale of license of software to Tier I suppliers. The movement in the said provision is as under :

Particulars	31 March 2020	31 March 2019
Carrying amount as at the beginning of the year	-	3.19
Additional provision made during the year	-	0.23
Amount paid/utilized during the year	-	1.18
Unused amount reversed during the year	-	-
Transfer on account of demerger	-	2.01
Exchange Difference	-	0.23
Carrying amount at the end of the year	-	-

2. Contingent liabilities

Sr. No.	Particulars	31 March 2020	31 March 2019
1	Outstanding bank guarantees in routine course of business	129.45	182.05
2	Income tax matters (Refer note (ii))	689.49	673.32
3	VAT matters	0.42	11.71
4	Service tax matters (excluding interest and penalty)(Refer note (i))	685.45	727.82
5	Other matters (Refer note (iii))	35.15	26.75

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Note:

(i) Service tax matters

- a. The Company has received a show cause cum demand notice from Commissioner of Central Excise & Service Tax, Pune I for the period April 2014 to March 2015 demanding service tax relating to:
 - ₹ 169.34 million (Previous year ₹ 169.34 million) towards Service Tax on the amount received by branches from overseas clients on behalf of the Company, under the head 'Business Auxiliary Services'.
 - ₹ 13.07 million (Previous year ₹ 46.56 million) towards the amount of expenditure made in foreign currency in respect of category II and III services.
- b. The Company has received a show cause notice from Commissioner of Central Excise & Service Tax, Pune I for the period April 2010 to June 2012 demanding service tax relating to:
 - ₹ 4.79 million (Previous year ₹ 4.79 million) towards the amount of expenditure against reimbursement of expenses.

The Company has filed an Appeal with Customs, Excise and Service Tax Appellate Tribunal, Mumbai for all the above matters

2 Department has filed an appeal against the Company in the following cases:

- ₹ 469.65 million (Previous year ₹ 469.65 million) towards Service Tax on the amount received by branches from overseas clients on behalf of the Company for the period October 2006 to March 2014, under the head 'Business Auxiliary Services' and expenditure made in foreign currency in respect of category II and III services with the Hon'ble Supreme Court of India
- ₹ 28.60 million (Previous year ₹ 28.60 million) towards Service Tax refund granted for the period April 2006 to March 2008 with the Hon'ble Bombay High Court

(ii) Income tax matters

The Income Tax Department has filed appeals for various years with Hon'ble Delhi High Court predominantly contesting a) the set off of losses of STP unit against Non STP unit b) deduction claimed by the Company u/s 10A of the Income-tax Act, 1961 and c) the Arm's Length Price of the transactions entered with the related parties. The disputed tax amount is ₹ 601.90 million. The Company has filed appeals with various appellate authorities for different assessment years. The key items for which appeals are filed are a) allowability of deduction claimed by the Company u/s 10A of the Income-tax Act, 1961 b) deduction under section 36 of the Income-tax Act, 1961, with respect to deposit of dues c) disallowance of rent equalization reserve and d) Arm's Length Price of the transactions entered with the related parties. The disputed tax amount is ₹ 87.59 million

(iii) Other matters

These matters pertain to the Transferor Company acquired pursuant to the composite scheme.

- a. ₹ 19.47 million (excluding interest) arising out of the Order passed by District Magistrate/Collector, Gautam Budha Nagar, imposing stamp duty of ₹ 12.98 million for alleged short payment of stamp duty along with penalty of ₹ 6.49 million in respect of the office space taken (since vacated) at D-195, Sector 63, Noida, Gautam Budha Nagar, Uttar Pradesh, India, by erstwhile Birlasoft (India) Ltd. (now merged with and into Birlasoft Limited). The matter has been remanded back by Hon'ble Supreme Court to Hon'ble Allahabad High Court for hearing it afresh. The matter is presently pending before Hon'ble Allahabad High Court.
- b. ₹ 7.20 million (excluding interest) arising out of the Order passed by Additional District Magistrate/Collector, Gautam Budha Nagar, imposing stamp duty of ₹ 6.20 million for alleged short payment of stamp duty along with penalty of ₹ 1.00 million in respect of the office space taken (since vacated) at H-9, Sector 63, Noida, Gautam Budha Nagar,

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Uttar Pradesh, India, by erstwhile Birlasoft (India) Ltd. (now merged with and into Birlasoft Limited). The Company has filed a Writ petition before Hon'ble Allahabad High Court for quashing of the Order .

- c. ₹ 1.08 million arising out of the Demand Notice issued by Tamil Nadu Electricity Board, Chennai on account of purported short levy due to tariff difference. The Company has filed a Writ petition before the Hon'ble Madras High Court at Chennai, challenging such a demand. The matter is presently pending before the Hon'ble Madras High Court.
- d. ₹ 7.40 million (excluding interest) arising out of recovery suit filed by an ex-employee against the company alleging wrongful termination . The matter is presently pending before Patiala House District Court at Delhi.
- 3 As per Ind AS 37 , the Company has made provision for future lease restoration expense of ₹ 3.36 million (Previous year ₹ 3.11 million) in respect leased premises in Noida. The same is expected to be utilized at the end of the lease period in 2026.

Sr. No.	Particulars	31 March 2020	31 March 2019
1	Transfer on account of merger	3.11	3.11
2	Additional provision made during the year	0.25	-
3	Amount paid/utilized during the year	-	-
4	Carrying amount as at end of the year	3.36	3.11

4 Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for:

- a. Property, plant and equipment - ₹ 68.87 million (Previous Year ₹ 8.23 million)

41 Share based payments

1 Employee Stock Option Plan– 2004

The Board of Directors and the shareholders of the Company approved the Employees Stock Option Plan at their meeting in August 2001 and in September 2001, respectively. Pursuant to this approval, the Company instituted ESOP 2004, Plan in July, 2004. The compensation committee of the Company administers this Plan. Each option carries with it the right to purchase one equity share of the Company. The Options have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the fair market value. The vesting of the options is 33%, 33% and 34% of total options granted after end of first, second and third year respectively from the date of grant. The maximum exercise period is 5 years from the date of vesting.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	31 March 2020		31-Mar-19	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	-	-	153,938	70.60
Granted during the year	-	-	-	-
Forfeited / surrendered during the year	-	-	-	-
Exercised during the year	-	-	113,430	70.60
Lapsed during the year	-	-	40,508	70.60
Options outstanding at the end of year	-	-	-	-
Options exercisable at the end of the year	-	-	-	-

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The weighted average share price of the options exercised under Employees Stock Option Scheme -2004 on the date of exercise during the year was Nil (Previous year ₹ 275.28)

The weighted average remaining contractual life are as follows:

Range of Exercise Price	31 March 2020		31 March 2019	
	Weighted average contractual life (years)	No. of Options Outstanding	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	NIL	NIL	NIL	NIL
₹ 50 to ₹ 100	NIL	NIL	NIL	NIL
₹ 100 to ₹ 150	NIL	NIL	NIL	NIL
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

2 Employee Stock Option Plan – 2006

The Board of Directors and the shareholders of the Company approved another Employees Stock Option Plan at their meeting in July 2006 and in August 2006, respectively. Pursuant to this approval, the Company instituted ESOP 2006, Plan in October, 2006. The compensation committee of the Company administers this Plan. Each option carries with it the right to purchase one equity share of the Company. The Options have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the fair market value. The vesting of the options is 30%, 30% and 40% of total options granted after end of first, second and third year respectively from the date of grant. The maximum exercise period is 5 years from the date of vesting.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	31 March 2020		31-Mar-19	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	1,229,650	55.54	3,102,423	95.53
Granted during the year	-	-	-	-
Forfeited / surrendered during the year	75,695	55.54	73,935	95.91
Exercised during the year	305,600	49.91	1,729,938	93.98
Lapsed during the year	64,200	49.39	68,900	88.95
Options outstanding at the end of year	784,155	58.14	1,229,650	55.54
Options exercisable at the end of the year	784,155	58.14	1,229,650	55.54

The weighted average share price of the options exercised under Employees Stock Option Scheme -2006 on the date of exercise during the year was ₹ 72.90 (Previous year ₹ 244.32)

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The weighted average remaining contractual life are as follows:

Range of Exercise Price	31 March 2020		31 March 2019	
	Weighted average contractual life (years)	No. of Options Outstanding	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	0.00	34,800	0.55	273,800
₹ 50 to ₹ 100	2.62	749,355	3.55	955,850
₹ 100 to ₹ 150	NIL	NIL	NIL	NIL
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model. There has been no grant of options under the plan for the year ended 31 March 2020 and 31 March 2019.

The Company recorded an employee compensation cost of Nil ((Previous year ₹ 5.17 million (₹2.08 million pertains to discontinued operations) (Refer note 44) in the Statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

3 Employee Stock Option Plan – 2014

The Board of Directors and the shareholders of the Company approved another Employees Stock Option Plan at their meeting in February 2014 and in April 2014, respectively. Pursuant to this approval, the Company instituted ESOP 2014 Plan in April 2014. The compensation committee of the Company administers this Plan. Each option carries with it the right to purchase one equity share of the Company. The Options have been granted to employees of the Company and its subsidiaries at an exercise price of ₹ 2 per option. The vesting of the options is 30%, 30% and 40% of total options granted after end of first, second and third year respectively from the date of grant. The maximum exercise period is 5 years from the date of vesting.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	31 March 2020		31 March 2019	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	30,000	2.00	135,000	2.00
Granted during the year	-	-	-	-
Forfeited / surrendered during the year	30,000	2.00	-	-
Exercised during the year	-	-	105,000	2.00
Options outstanding at the end of year	-	-	30,000	2.00
Options exercisable at the end of the year	-	-	30,000	2.00

The weighted average share price of the options exercised under Employees Stock Option Scheme -2014 on the date of exercise during the year was NIL (Previous year ₹ 270.85)

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The weighted average remaining contractual life are as follows:

Range of Exercise Price	31 March 2020		31 March 2019	
	Weighted average contractual life (years)	No. of Options Outstanding	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	NIL	NIL	4.07	30,000
₹ 50 to ₹ 100	NIL	NIL	NIL	NIL
₹ 100 to ₹ 150	NIL	NIL	NIL	NIL
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

The Company recorded an employee compensation cost of NIL (Previous year NIL) in the Statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

4 Employee Stock Option Plan – 2015

The Board of Directors and the shareholders of the Company approved another Employee Stock Option Plan at their meeting in April 2015 and August, 2015, respectively. Pursuant to this approval, the Company instituted ESOP 2015 Plan in August 2015. The compensation committee of the Company administers this Plan. Each option carries with it the right to purchase one equity share of the Company. The Options have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the fair market value. The vesting of the options is 30%, 30% and 40% of total options granted after end of first, second and third year respectively from the date of grant. The maximum exercise period is 5 years from the date of vesting.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	31 March 2020		31 March 2019	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	547,800	60.58	989,050	106.76
Granted during the year	-	-	-	-
Forfeited / surrendered during the year	51,000	60.58	46,300	115.58
Exercised during the year	-	-	394,950	105.44
Lapsed during the year	-	-	-	-
Options outstanding at the end of year	496,800	60.78	547,800	60.58
Options exercisable at the end of the year	496,800	60.78	492,800	59.07

The weighted average share price of the options exercised under Employees Stock Option Scheme -2015 on the date of exercise during the year was NIL (Previous year ₹ 232.55)

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The weighted average remaining contractual life are as follows:

Range of Exercise Price	31 March 2020		31 March 2019	
	Weighted average contractual life (years)	No. of Options Outstanding	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	NIL	NIL	NIL	NIL
₹ 50 to ₹ 100	1.88	496,800	3.82	547,800
₹ 100 to ₹ 150	NIL	NIL	NIL	NIL
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model. There has been no grant of options under the plan for the year ended 31 March 2020 and 31 March 2019.

The Company recorded an employee compensation cost of NIL (Previous year ₹ 3.82 million) in the Statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

5 Employee Stock Option Plan – 2019

The Board of Directors and the shareholders of the Company approved Employee Stock Option Plan at their meeting in February 2019. Pursuant to this approval, the Company instituted ESOP 2019 Plan in February 2019. The compensation committee of the Company administers this Plan. Each option carries with it the right to purchase one equity share of the Company. The Options have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the face value of shares as on date of grant of such option. Option Granted under ESOP 2019 shall vest not earlier than minimum period of 1 (One) year and not later than maximum period of 3 (Three) years from the date of Grant. The vesting of the options is 30%, 30% and 40% of total options granted after end of first, second and third year respectively from the date of grant. The maximum exercise period is 4 years from the date of vesting.

ESOP 2019 replaces ESOP Stock Options Plan -2015 (Plan) issued by Birlasoft(India) Limited (Transferor company) which stands cancelled pursuant to the scheme of amalgamation. Accordingly, ₹ 255.76 million was transferred to from ESOP reserve to retained earning as on 1st January 2019 on account of the same.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	31 March 2020		31 March 2019	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	4,753,138	3.10	-	-
Granted during the year	-	-	4,769,246	3.10
Forfeited / surrendered during the year	599,353	3.10	16,108	3.10
Exercised during the year	2,564,769	3.10	-	-
Lapsed during the year	-	-	-	-
Options outstanding at the end of year	1,589,016	3.10	4,753,138	3.10
Options exercisable at the end of the year	734,548	3.10	1,425,921	3.10

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The weighted average share price of the options exercised under Employees Stock Option Scheme -2019 on the date of exercise during the year was NIL.

The weighted average remaining contractual life are as follows:

Range of Exercise Price	31 March 2020		31 March 2019	
	Weighted average contractual life (years)	No. of Options Outstanding	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	4.44	1,589,016	5.06	4,753,138
₹ 50 to ₹ 100	NIL	NIL	NIL	NIL
₹ 100 to ₹ 150	NIL	NIL	NIL	NIL
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model with the following assumptions:

Particulars	31 March 2020	31 March 2019
1. Exercise price (₹)	NIL	3.10
2. Price of the underlying share in market at the time of the option grant (₹)	NIL	101.35
3. Weighted average fair value of options granted (₹)	NIL	91.54
4. Expected life of the option (years)	NIL	3.17
5. Risk free interest rate (%)	NIL	6.93%
6. Expected volatility (%)	NIL	48.29%
7. Dividend yield (%)	NIL	2.37%

The Company recorded an employee compensation cost of ₹ 60.64 million (Previous year ₹ 22.00 million) in the Statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

6 Share Incentive Plan – 2019

The Board of Directors and the shareholders of the Company approved another Employee Stock Option Plan at their meeting in November 2019. Pursuant to this approval, the Group instituted Share Incentive Plan 2019 in November 2019. The compensation committee of the Group administers this Plan. Each option carries with it the right to purchase one equity share of the Group. The Options have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the face value of shares as on date of grant of such option. The vesting of the options is 50% and 50% of total options granted after end of second and third year respectively from the date of grant. The maximum exercise period is 4 years from the date of vesting.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	31 March 2020		31 March 2019	
	No. of shares	Weighted average exercise price	No. of shares	Weighted average exercise price
Options outstanding at the beginning of the year	-	-	-	-
Granted during the year	7,094,575	62.46	-	-
Forfeited / surrendered during the year	901,644	62.82	-	-
Exercised during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Options outstanding at the end of year	6,192,931	62.40	-	-
Options exercisable at the end of the year	-	-	-	-

The weighted average share price of the options exercised under Share Incentive Plan - 2019 on the date of exercise during the year was ₹ Nil (Previous year ₹ Nil).

The weighted average remaining contractual life are as follows:

Range of Exercise Price	31 March 2020		31 March 2019	
	Weighted average contractual life (years)	No. of Options Outstanding	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	6.13	6,192,931	NIL	NIL
₹ 50 to ₹ 100	NIL	NIL	NIL	NIL
₹ 100 to ₹ 150	NIL	NIL	NIL	NIL
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model with the following assumptions:

Particulars	31 March 2020	31 March 2019
1. Exercise price (₹)	62.46	NIL
2. Price of the underlying share in market at the time of the option grant (₹)	62.46	NIL
3. Weighted average fair value of options granted (₹)	22.28	NIL
4. Expected life of the option (years)	4.16	NIL
5. Risk free interest rate (%)	6.05%	NIL
6. Expected volatility (%)	47.49%	NIL
7. Dividend yield (%)	3.23%	NIL

The Group recorded an employee compensation cost of ₹ 7.76 million (Previous year ₹ Nil million) in the Statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

7 Share Incentive Plan – 2019

The Board of Directors and the shareholders of the Company approved another Employee Stock Option Plan at their meeting in November 2019. Pursuant to this approval, the Group instituted Share Incentive Plan 2019 in November 2019. The compensation committee of the Group administers this Plan. Each Restricted Stock Unit carries with it the right to purchase one equity share of the Group. The Units have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the face value of shares as on date of grant of such unit. The vesting of the options is 50% and 50% of total units granted after end of second and third year respectively from the date of grant. The maximum exercise period is 4 years from the date of vesting.

Number and weighted average exercise prices of units granted, exercised and cancelled/lapsed during the financial year

Particulars	31 March 2020		31 March 2019	
	No. of shares	Weighted average exercise price	No. of shares	Weighted average exercise price
Units outstanding at the beginning of the year	-	-	-	-
Granted during the year	1,644,863	2.00	-	-
Forfeited / surrendered during the year	411,216	2.00	-	-
Exercised during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Units outstanding at the end of year	1,233,647	2.00	-	-
Units exercisable at the end of the year	-	-	-	-

The weighted average share price of the units exercised under Share Incentive Plan – 2019 on the date of exercise during the year was ₹ Nil (Previous year ₹ Nil).

The weighted average remaining contractual life are as follows:

Range of Exercise Price	31 March 2020		31 March 2019	
	Weighted average contractual life (years)	No. of Units Outstanding	Weighted average contractual life (years)	No. of Units Outstanding
₹ 0 to ₹ 50	6.11	1,233,647	NIL	NIL
₹ 50 to ₹ 100	NIL	NIL	NIL	NIL
₹ 100 to ₹ 150	NIL	NIL	NIL	NIL
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model with the following assumptions:

Particulars	31 March 2020	31 March 2019
1. Exercise price (₹)	2.00	NIL
2. Price of the underlying share in market at the time of the option grant (₹)	61.95	NIL
3. Weighted average fair value of units granted (₹)	52.61	NIL
4. Expected life of the option (years)	4.16	NIL
5. Risk free interest rate (%)	6.04%	NIL
6. Expected volatility (%)	47.54%	NIL
7. Dividend yield (%)	3.23%	NIL

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The Group recorded an employee compensation cost of ₹ 8.46 million (Previous year ₹ Nil million) in the Statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

Corporate Action Note

In terms of Clause 7.6.1 of the Composite Scheme of Arrangement, the stock options granted by the Transferor Company under the relevant Existing Stock Option Schemes stands be cancelled and new options have been granted to employees under the Merged Company, the said employees have been issued options in the ratio of 1:1 for every outstanding stock options held by them in the Transferor Company.

Further, as per clause 18.5.2 of the Composite Scheme of Arrangement, employees of demerged entity (Other than employees mentioned above) would receive one option in resulting company - KPIT Technologies Limited (erstwhile known as KPIT Engineering Limited) for one option outstanding in the demerged entity - KPIT Technologies Limited.

Further, as per the aforesaid clause, the existing exercise price of the stock options of the Company shall stand suitably adjusted in the same manner of share exchange ratio. The weighted average exercise price for options outstanding at the end of the previous year and options exercisable at the end of the previous year has been suitably adjusted accordingly.

42 Income taxes

The income tax expense consists of following:

Particulars	31 March 2020	31 March 2019
Current tax - continuing operations		
Tax on the profit from continuing operations	729.49	528.42
Total current tax expense (a)	729.49	528.42
Deferred tax - continuing operations		
Atributable to -		
Origination and reversal of temporary differences	91.65	(136.85)
Total deferred tax expense (b)	91.65	(136.85)
Tax expense of discontinued operations		
Tax on the profit from discontinued operations	-	116.65
Total tax expense of discontinued operations (c)	-	116.65
Total Tax Expense (a + b + c)	821.14	508.22

The deferred tax relates to origination/reversal of temporary differences.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

Particulars	31 March 2020	31 March 2019
Profit before tax	2,228.68	2,184.56
Indian statutory income tax rate	34.94%	34.94%
Expected tax expense	778.79	763.29
Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Effect of income tax holiday, exemptions and deductions	-	(440.11)
Effect relating to prior years	(27.86)	98.38
Effect of permanent adjustments	70.10	65.15
Effect of differential overseas tax rates	-	25.40
Effect of unrecognized deferred tax assets	-	0.15
Others (net)	0.10	(4.04)
Total tax expense	821.14	508.22

During the previous year, for the period 1 April 2018 to 31 December 2018 i.e. the period upto which R & D Unit was part of the Company, the Company had claimed weighted tax deduction on eligible research and development expenditures based on the approval received from Department of Scientific and Industrial Research (DSIR) on 2 June 2011 which had been renewed effective April 2018. The weighted tax deduction is equal to 150% of such expenditures incurred. Also refer note 44.

Under the composite scheme the Units which formed part of Sepcial Economic Zone were transferred to KPIT Technologies Limited (erstwhile KPIT Engineering Limited) effective 1 January 2019. Accordingly, the Company benefited from the tax holiday available for units set up under the Special Economic Zone Act, 2005 (SEZ) for the period 1 April 2018 to 31 December 2018. The tax holiday was worked out as 100% of profits or gains derived from the export of services for the first five years from the financial year in which the unit commenced the provision of services and 50% of such profits or gains for a further five years. Book profit of eligible SEZ units for the period 1 April 2018 to 31 Decemeber 2018 was ₹ 760.81 million. The Company was eligible to claim incentive deduction of ₹ 689.26 million under section 10AA of Income tax Act, 1961.

Deferred Tax

The gross movement in the deferred income tax account for the year ended 31 March 2020 and 31 March 2019 is as follows:

Particulars	31 March 2020	31 March 2019
Net deferred income tax asset at the beginning	1,098.89	785.85
Deferred Tax Liability balance transferred to resulting company	-	30.48
MAT Credit Utilised for the year	(388.93)	(125.53)
Credits / (charge) relating to temporary differences (net)	(76.97)	133.65
Deferred tax of transferor company	-	293.38
Temporary differences on other comprehensive income	114.66	(18.94)
Net deferred income tax asset at the end	747.65	1,098.89

The credit relating to temporary differences during the year ended 31 March 2020 are primarily on account of provision for doubtful debts & bad debts, provision for gratuity, compensated absence & property, plant and equipment, transaction cost, rent equilisation reserve . The credit relating to temporary differences during the year ended 31 March 2019 are primarily on account of provision for doubtful debts & bad debts, provision for gratuity, compensated absence, property, plant and equipment, transaction cost and rent equilisation reserve.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Act 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company to pay income taxes at reduced tax rates as per the provisions/conditions defined in the said section. The Company had evaluated and expects to exercise the option of lower tax rate of 25.17% (inclusive of surcharge and cess) under Section 115BAA of the Income Tax Act, 1961 in a subsequent financial year. Accordingly, the Company has estimated the reversal of deferred tax asset/ liabilities, until the date of exercise of the option and subsequent to exercise of the option. The effect of this change has been recognized in tax expense for the year ended March 31 2020 on an effective tax basis. This has resulted in an increase in deferred tax expense of ₹ 100.50 million for the year ended March 31, 2020 on account of remeasurement of deferred tax asset

43 The Company has evaluated the impact of COVID 19 on the standalone financial statements as on 31 March 2020 as below:

1 Revenue from operations

The Company has evaluated the impact of COVID-19 resulting from (a) the possibility of constraints to render services which may require revision of estimations of costs to complete the contract because of additional efforts; (b) onerous obligations; (c) penalties relating to breaches of service level agreements; (d) volume discounts, and (e) termination/ deferment of projects to ensure that revenue is recognised after considering all these impacts to the extent known and available currently. Based on the evaluation, the Group has concluded that the impact of COVID – 19 is not material for the year. The Company would continue to assess the impact of COVID-19 as we go along due to uncertainties associated with its nature and duration.

2 Right of use assets (Lease Arrangements)

The Company does not foresee any large-scale contraction in demand which could result in significant down-sizing of its employee base rendering the physical infrastructure redundant. The leases that the Company has entered with lessors towards properties used as delivery centers / sales offices are long term in nature and the Company does not expect any change due to global pandemic in the terms of lease arrangements including renewal options assessed in this regard while assessing the Right to use assets.

3 Financial Instruments

a. Cashflow Hedge

The Company basis their assessment believes that the probability of the occurrence of their highly probable forecasted transactions is not significantly impacted by the COVID–19 pandemic. The Company has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness. The Company continues to believe that there is no impact on effectiveness of its hedges.

b. Trade Receivables and Contract assets including Unbilled revenue

Trade receivables and contract assets including unbilled revenue, have been valued after making allowance for expected credit losses based on factors like ageing, likelihood of increased credit risk and expected realizability, nature of customer verticals, geographies, considering impact of COVID–19 on customers and related customer verticals and geographies. In addition the Company has also considered credit reports and other credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic. The Company believes that the carrying amount of allowance for expected credit loss with respect to trade receivables, unbilled revenue and other financial assets is adequate.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

c. Fair Valuation

Assets measured using level 1 inputs primarily include investment securities in liquid debt funds and the fair value being marked to an active market which factors the impact of COVID-19, we do not expect material volatility in these financial assets. Assets and liabilities measured using level 2 inputs which include derivative financial instruments and financial assets measured at amortised cost which include cash and cash equivalents and deposits with banks and corporations, have been assessed basis counterparty credit risk.

4 Deferred Tax asset

The Company has considered the impact of COVID-19 in preparing revenue and profit projections. On the basis of these projections, the Company believes that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized.

5 Going Concern

The Company has prepared cashflow projections for the foreseeable future after considering the impacts of COVID-19. Further, the Company carries cash and cash equivalents of ₹ 1,337.04 million other bank balances of ₹ 1,890.13 million and has unutilized working capital limits of ₹ 2,600.55 million as at March 31, 2020. Accordingly, the management has assessed that the going concern assumption is appropriate for the Company.

44 Composite scheme of arrangement

The Board of Directors of the Company at its meeting held on 29 January 2018 had approved a Composite Scheme ("the Composite Scheme") and subsequently filed with National Company Law Tribunal (NCLT) for: (a) amalgamation of Birlasoft (India) Limited ("Transferor Company") with Birlasoft Limited (erstwhile KPIT Technologies Limited) ("Transferee Company" or "Demerged Company"); and (b) demerger of the engineering business of Birlasoft Limited (erstwhile KPIT Technologies Limited) into KPIT Technologies Limited (erstwhile KPIT Engineering Limited) ("Resulting Company").

The Composite Scheme approved by the National Company Law Tribunal, Mumbai Bench on 29 November 2018 and certified copy of the order was received on 18 December 2018, was recorded by the Board of Directors in their meeting held on 15 January 2019 whereby the Transferor Company was merged into the Transferee Company and Engineering Business (Primarily comprising Automotive vertical with embedded software, digital technologies (cloud, IoT, analytics), Mobility Solutions and application life cycle management Business) was demerged from the Transferee Company and transferred to the Resulting Company, with effect from 01 January 2019, the appointed date. The Company has presented the Engineering Business ("Demerged Undertaking") as discontinued operations during the year ended on 31 March 2019 in accordance with Ind AS 105 and accordingly reclassified the financial results of the previous year presented.

In accordance with the composite scheme approved by the National Company Law Tribunal (NCLT) on 29 November 2018, the name of the Company has been changed from KPIT Technologies Limited to Birlasoft Limited, vide the "Certificate of Incorporation pursuant to change of name", issued by the Registrar of Companies (ROC) dated 08 February 2019.

Shareholders of the Transferor Company have received 22 equity shares of the Transferee Company for every 9 equity shares they held in the Transferor Company. After the demerger of Transferee Company's engineering business, shareholders of the Demerged Company received 1 equity share of the Resulting Company for every 1 equity share they hold in the Demerged Company. After the demerger, the Demerged Company has the combined business of KPIT IT Services Business and the current business of Birlasoft (India) Limited creating a new leader in the mid-tier IT services space. Whereas the Resulting Company has the current Engineering business of the Demerged Company to create a company focused on Automotive Engineering and Mobility Solutions.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

As per the Composite Scheme, all assets and liabilities of Birlasoft (India) Limited (“Transferor Company”) stand transferred to the Transferee Company from the appointed date. The employees of the Transferor Company have also moved to the Transferee Company and consequently the employee related benefits and all contracts and agreements in relation to them have been taken over by the Transferee Company. The Composite Scheme has accordingly been given effect to in the financial statements as on the appointed date.

As per the Composite Scheme, all assets and liabilities of the Engineering Business (“Demerged Undertaking”) stand transferred to the Resulting Company from the appointed date. The employees of the Engineering Business have also moved to the Resulting Company and consequently the employee related benefits and all contracts and agreements in relation to them have been taken over by the Resulting Company. The Composite Scheme has accordingly been given effect to in the financial statements as on the appointed date.

Accordingly, the previous year balances are not comparable.

Pursuant to the approved Composite Scheme, the Transferee Company shall account for merger and demerger in its books as per the applicable accounting principles prescribed under relevant Indian Accounting Standards (Ind AS). It would inter alia include the following:

Transaction I- Merger

Accounting for Merger:

1. Assets, Liabilities and Reserves of the Transferor Company transferred to and vested in the Transferee Company shall be recorded at their carrying values as appearing in books of the Transferor Company at the time of the merger effective date and in accordance with requirements of relevant Ind AS.
2. The Transferee Company shall credit its share capital account in its books of account with the new equity shares issued pursuant to Scheme to the shareholders of the Transferor Company.
3. Subsequent to the merger, the pre-merger shares of the Transferor Company shall be cancelled.
4. The inter-company balances between Transferee Company and Transferor Company, if any, in the books of accounts of Transferee Company and Transferor Company shall stand cancelled.
5. The difference, if any, between assets, liabilities and reserves transferred and the value of the new equity shares issued on merger by the Transferee Company shall be transferred to capital reserves of Transferee Company.
6. The Company is in the process of transferring the title of the assets and liabilities received under the scheme of merger from Transferor Company as on the reporting date.

a. Consideration transferred (at the acquisition date book values)

Particulars	Amount
Cash	-
Equity shares (76,645,066 shares of Birlasoft Limited (Erstwhile KPIT Technologies Limited))	153.29
Total	153.29

b. Acquisition related cost

Acquisition related cost of ₹ 282.65 million is recognized under other expenses in the Statement of Profit and Loss for the year ended 31 March 2019.

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

c. The book value of assets acquired and liabilities taken over from Transferor Company as at date of merger were:

Particulars	Amount
ASSETS	
Non-Current Assets	
Property, plant and equipment (net)	666.70
Other intangible assets (net)	7.47
Financial Assets	
Investment in subsidiary-Birlasoft Inc , USA	25.90
Other financial assets	34.04
Deferred tax assets (net)	293.38
Other non current assets	247.59
	1,275.08
Current Assets	
Financial Assets	
Investments	2,385.51
Trade receivables	736.07
Cash and Cash equivalents	238.98
Other balances with banks	20.00
Other financial assets	132.27
Other current assets	222.74
	3,735.57
Total Assets	5,010.65
EQUITY AND LIABILITIES	
Equity	
Other Equity	3,449.08
Total Equity	3,449.08
Liabilities	
Non-Current Liabilities	
Other non current liabilities	133.14
Provisions	3.33
	136.47
Current liabilities	
Financial Liabilities	
Trade payables	547.16
Other financial liabilities	222.70
Provision for employee benefits	62.87
Current tax liabilities	87.11
Other current liabilities	191.71
	1,111.55
Total Equity and Liabilities	4,697.10
Total net identifiable assets at book value	313.55

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

d. Capital Reserve arising on merger

Particulars	Amount
Purchase consideration	153.29
Less : Book value of net identifiable assets acquired	313.55
Capital reserve	(160.26)

The difference between the amount recorded as share capital issued and the amount of share capital of the transferor has been transferred to capital reserve.

e. Transferor Company's contribution to Revenue and Profit before tax

From the date of merger, the Transferor Company had contributed ₹ 1,152.94 million to revenue and ₹ 82.66 million to the profit before tax from continuing operations of the Company for the period ended 31 March 2019. If the combination had taken place at 1 April 2018, the contribution to Company's revenue for the year ended 31 March 2019 would have been ₹ 4,803.17 million and the profit before tax would have been ₹ 278.84 million.

Transaction II- Demerger

Pursuant to the approved Composite Scheme, Birlasoft Limited (Erstwhile KPIT Technologies Limited) accounted for demerger of Demerged Undertaking in its books as per the applicable accounting principles prescribed under relevant Indian Accounting Standards (Ind AS). It would inter alia include the following:

Accounting of Demerger as per Court approved scheme:

1. The carrying values of assets and liabilities of demerged undertaking transferred to Resulting Company shall be adjusted with capital reserves, if any, then to general reserve account and then to retained earnings of the Demerged Company.
2. The carrying value of the investment in equity shares of the Resulting Company to the extent held by Demerged Company shall stand cancelled.
3. The Company is in the process of transferring the title of the assets and liabilities transferred under the scheme of demerger as on the reporting date.

a. Value of assets and liabilities transferred to the Resulting Company

Particulars	Amount
ASSETS	
Non-Current Assets	
Property, plant and equipment	2,441.25
Capital work in progress	7.61
Other intangible assets	667.40
Other Intangible assets under development	18.63
Financial assets	
Investment	2,454.59
Loans	191.85
Other non current assets	25.76
	5,807.09
Current Assets	

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Particulars	Amount	
Investments		13.85
Financial Assets		
Trade receivables		2,056.03
Loans		243.58
Unbilled Revenue		451.86
Other financial assets		2,181.81
Other current assets		308.04
		5,255.17
Total Assets		11,062.26
EQUITY AND LIABILITIES		
Equity		
Other Equity		
General Reserve		34.38
Remeasurement of defined benefit plan		(44.16)
Effective portion of cash flow hedge		9.75
Retained earnings		3,573.12
Total Equity		3,573.09
Liabilities		
Non-Current Liabilities		
Financial liabilities		
Borrowings		548.92
Provisions		201.88
Deferred tax liabilities (Net)		30.48
		781.28
Current liabilities		
Financial Liabilities		
Trade payables		435.10
Other financial liabilities		951.94
Other Current Liabilities		350.87
Provisions		49.85
		1,787.76
Total Equity and Liabilities		6,142.13
Net asset to be transferred to the Resulting Company		
Cancellation of existing investment in the Resulting Company		
Utilization of reserves for transfer of Net Assets pursuant to the above scheme of arrangement		
Capital reserve	179.66	
General reserve	1,719.62	
Retained earnings (excludes accumulated deficit of ₹288.39 million of EWT transferred to the Resulting Company)	3,021.85	4,921.13

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

b. Results of discontinued operations

Particulars	31 March 2019
Revenue from operations	6,164.12
Other income	92.11
Total income	6,256.23
Expenses	
Cost of materials consumed	22.96
Changes in inventories of finished goods and work-in-progress	0.45
Employee benefits expense	3,511.57
Finance costs	68.36
Depreciation and amortization expense	488.21
Excise duty	-
Other expenses	1,430.70
Total expenses	5,522.25
Profit before exceptional items and tax	733.98
Exceptional items (Refer Note(i))	-
Profit before tax	733.98
Tax expense	
Current tax	98.57
Deferred tax (benefit)/charge	18.08
Total tax expense	116.65
Profit after tax	617.33

Note:

- (i) During the previous year, the Company has sold of its entire stake in Sankalp Semiconductors Private Limited. The gain on disposal is recorded under exceptional items in the Statement of Profit and Loss.
 - (ii) The Engineering business have been discontinued from 01 January 2019.
- c. Net cash outflows from discontinued operations for the previous year ended 31 March 2019 amount to INR 79.38 million. Due to non-availability of relevant information relating to discontinued operations, the cash flows for the previous year had been disclosed on net basis.

45 Other disclosures and explanatory notes

- 1 The Company was required to spend ₹ 41.14 million towards Corporate Social Responsibility. During the year the Company has spent and paid ₹ 41.75 million (Previous year ₹43.43 million) towards Corporate Social Responsibility, in various activities as specified in Schedule VII of the Companies Act 2013, read with the Rules thereunder, as direct spend for purposes other than construction/acquisition of any asset.

Particulars	31 March 2020	31 March 2019
A. Gross amount required to be spent by the company during the year	41.14	42.99
B. Amount spent during the year		
(i) Construction/acquisition of any asset	NIL	NIL
(ii) On purpose other than (i) above	41.75	43.43

Notes forming part of the standalone financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

- 2 The remuneration paid by the Company to its directors including managing and whole time directors, during the current year is in accordance with the provisions of Section 197 of the Companies Act, 2013 ("the Act"), except to the extent it relates to the value of perquisites in the form of Employee Stock Options exercised by the former Managing Director and Chief Executive Officer of the Company which has resulted in the remuneration being excess by ₹ 47.31 million vis-a-vis the limits prescribed by the Act. The Company is in the process of obtaining approval from its shareholders at the forthcoming Annual General Meeting for the same in accordance with the requirements of the Act.
- 3 During the previous year the company has formed subsidiary in UK , KPIT Infosystems Ltd and infused equity of £ 0.5 million
- 4 The Company has consolidated the KPIT Technologies Limited Employee Welfare Trust for the period upto 31 December 2018.
- 5 The Company has established a system of maintenance of information and documents as required by the transfer pricing legislation under Section 92-92F of the Income Tax Act 1961. The Company is in the process of updating the documentation for the financial year 2019-2020.

The management is of the opinion that international transactions are at arm's length and accordingly the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration Number :101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896
Place: Pune
Date: 20 May 2020

**For and on behalf of the Board of Directors of
BIRLASOFT LIMITED (Erstwhile KPIT Technologies Limited)**
CIN: L72200PN1990PLC059594

Dharmander Kapoor
CEO & Managing Director
DIN: 08443715
Place: Faridabad
Date: 20 May 2020

Amita Birla
Chairman
DIN: 00837718
Place: New Delhi
Date: 20 May 2020

Sneha Padve
Company Secretary
Place: Pune
Date: 20 May 2020

Independent Auditors' Report

To
To the Members of
Birlasoft Limited (Erstwhile KPIT Technologies Limited)

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Birlasoft Limited (Erstwhile KPIT Technologies Limited) (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2020, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows 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, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 31 March 2020, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to note 44(4) to the consolidated financial statement for the year ended 31 March 2020, relating to the Managerial Remuneration paid/ accrued by the Holding Company for the year then ended which exceeds the limits prescribed under section 197 of the Companies Act, 2013 by ₹ 47.31 million and hence, is subject to approval of the shareholders in the General Meeting.

Our opinion is not modified in respect of this matter.

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 of the current period. 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.

Description of Key Audit Matter

The key audit matter	How the matter was addressed in our audit
Revenue recognition in respect of fixed price contracts (See note 1.3 and 32 to the consolidated financial statements) The Group engages into fixed-price contracts with customers. In respect of fixed-price contracts other than maintenance and support service contracts, revenue is recognized using percentage of completion computed as per the input method.	Our audit procedures in this area included the following: <ul style="list-style-type: none">Obtaining an understanding of the systems, processes and controls implemented by the Group and evaluating the design and implementation of internal controls for measuring and recording revenue and the associated contract assets and unearned revenue.

The key audit matter	How the matter was addressed in our audit
<p>This is based on the Group's estimate of contract costs and efforts for completion of contract. Provision for estimated losses on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.</p> <p>Contract estimates are formed by the Group considering the following:</p> <ul style="list-style-type: none"> • Application of the revenue recognition accounting standard is complex. It involves a number of key judgements and estimates. One of the key estimate is total cost-to-completion of these contracts. It is used to determine the percentage of completion of the relevant performance obligation. • There is judgement involved in identification of distinct performance obligations and determination of transaction price for such performance obligations. • COVID 19 pandemic may impact the total revenue and costs to complete the contracts. In some cases, Group's contract interests are adequately protected. In other cases, there may be possible significant risks though the Group is cautious of them. • These contracts may involve onerous obligations on the Group requiring critical estimates to be made. • Contracts are subject to modification to account for changes in contract specification and requirements. • At year-end a significant amount of work in progress (Contract assets and liabilities) related to these contracts is recognised on the balance sheet representing the work completed, costs incurred and accrued. <p>Considering the significant estimate involved in recognition of revenue based on percentage of completion method in respect of fixed price contracts, we have considered this as key audit matter.</p>	<ul style="list-style-type: none"> • Testing the design and operating effectiveness of key IT controls over IT environment in which the business systems operate. This includes access controls, program change controls, program development controls and IT operation controls; • For selected samples of contracts, we inspected the terms of the contract and assessed the revenue recognized in accordance with Ind AS by: <ul style="list-style-type: none"> ➤ Evaluating the identification of performance obligations. ➤ Agreeing the transaction price to the underlying contracts. ➤ Inspecting the approval of the estimates of cost to complete. ➤ Evaluating the impact of COVID 19 pandemic on the total revenue and the cost to complete the contract. ➤ Challenging the Group's estimate of contract cost through a retrospective comparison of costs incurred with budgeted costs. Identifying significant variations and testing variations resulting into re-estimating the remaining costs to complete the contract. ➤ Assessing the work in progress (contract assets) on the balance sheet date by inspecting the underlying invoices and signed agreements on sample basis to identify possible delays in achieving milestones. Those may require change in estimated costs to complete the remaining performance obligations. ➤ Comparing, on a sample basis, revenue transactions recorded during the year with the underlying contracts, actual costs incurred, and invoices raised on customers. Also, checked the related revenue, contract costs, provision for onerous contracts, contract assets and unearned revenue had been recognised in accordance with the requirements of Ind AS 115. ➤ Performing analytical procedures on incurred and estimated contract costs or efforts. It includes assessment of contracts with unusual or negative margins, little or no movement in efforts from previous periods. We also performed analytical procedures on contract assets with little or no movement in invoicing from previous periods.

The key audit matter	How the matter was addressed in our audit
<p>Impairment of Goodwill</p> <p>(Refer note 1.8(b)(ii) and 41 to the consolidated financial statements)</p> <p>The Group is required to test goodwill for impairment every year or more frequently when there is an indication of impairment. The impairment charge is determined by comparing the carrying value of goodwill with its recoverable amount. We consider the impairment testing of goodwill by the Group to involve significant estimates and judgment. There is inherent uncertainty involved in forecasting and discounting future cashflows, including the possible effects of COVID-19 pandemic, which are the basis of the assessment of recoverability. Considering the significant judgement involved, impairment of goodwill is identified as a key audit matter.</p>	<p>Our audit procedures in this area included the following:</p> <ul style="list-style-type: none"> • Assessing Group's evaluation of identification of cash generating units and allocation of goodwill to the respective CGUs; • Evaluating the Group's assessment of recoverable amount and impairment assessment for goodwill; • Testing the arithmetical accuracy of the cash flow projections and impairment assessment made by the Group; • We challenged the Group's assumptions used in impairment analysis, such as projected EBITDA & revenue growth rate, terminal growth rates and discount rates, including consideration of impact of COVID 19 by: <ul style="list-style-type: none"> ➤ comparing the same to externally derived data and industry comparators, where available; ➤ assessing the sensitivity of assumptions on the impairment assessment; ➤ comparing the forecasts against the historical performance. <p>This was based on our knowledge of the Group and the markets in which the CGU operates. We took assistance of our valuations team for above testing;</p> <ul style="list-style-type: none"> • Performing sensitivity analysis of the key assumptions, such as future revenue growth rates and the discount rate used in determining the recoverable value; • Evaluating the adequacy of the disclosures of key assumptions and judgements.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the financial statements and our auditors' 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 and, in doing so, consider whether the other information

is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done, 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.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state

of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows 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. 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 the assets of each company and for preventing and detecting frauds and other irregularities; the 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 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 Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 such entities or business activities within the Group to express an opinion on the consolidated

financial statements. We are responsible for the direction, supervision and performance of the audit of financial information 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. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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 of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 Matters

The financial information of two subsidiaries, whose financial information reflect total assets of ₹ 990.95 million as at 31 March 2020, total revenues of ₹1,427.31 million and net cash

flows amounting to ₹ 340.89 million for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. These unaudited financial information have been furnished to us by the Management and 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 such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion 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 financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

- A. As required by Section 143(3) of the Act, based on our audit and on the consideration of separate financial information, as were certified by the management, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant 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 Ind AS specified under section 133 of the Act.

- e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2020 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies, is disqualified as on 31 March 2020 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 financial statements of the Holding Company, its subsidiary companies, incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, 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 financial information as certified by the Management for subsidiaries, as noted in the 'Other Matters' paragraph.
- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2020 on the consolidated financial position of the Group. Refer note 38 (2) to the consolidated financial statements.
- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer note 22 to the consolidated financial statements in respect of such items as it relates to the Group.
- iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, incorporated in India during the year ended 31 March 2020.
- C. With respect to the matter to be included in the Auditor's report under section 197(16):
- a. We draw attention to note 44(4) to the consolidated financial statement for the year ended 31 March 2020, relating to the Managerial Remuneration paid/ accrued by the Holding Company for the year then ended which exceeds the limits prescribed under section 197 of the Companies Act, 2013 by ₹ 47.31 million and hence, is subject to approval of the shareholders in the General Meeting.
- Our opinion is not modified in respect of this matter.
- b. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.101248W/W-100022

Swapnil Dakshindas

Partner

Place: Pune
Date: 20 May 2020

Membership No. 113896
UDIN: 20113896AAAABG2445

Annexure A to the Independent Auditors' report on the consolidated financial statements of Birlasoft Limited (Erstwhile KPIT Technologies Limited) for the year ended 31 March 2020

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to consolidated financial statements of Birlasoft Limited (Erstwhile KPIT Technologies Limited) (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial

statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 the internal controls 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 consolidated financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls 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 controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately

and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may

occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate..

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.101248W/W-100022

Swapnil Dakshindas

Partner

Place: Pune

Date: 20 May 2020

Membership No. 113896

UDIN: 20113896AAAAABG2445

Consolidated Balance Sheet as at 31 March 2020

(Amount in ₹ million)

	Note	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
ASSETS			
Non-current assets			
Property, plant and equipment	2A	1,410.77	1,444.25
Right-of-use assets	2B	1,389.41	-
Capital work-in-progress		23.50	-
Goodwill	2C	4,541.47	4,219.15
Other intangible assets	2D	168.21	217.55
Financial assets			
Loans	3	147.43	100.34
Other financial assets	4	34.76	83.78
Income tax assets (net)		957.77	691.40
Deferred tax assets (net)	5	1,200.12	1,432.59
Other non-current assets	6	115.36	51.72
		9,988.80	8,240.78
Current assets			
Financial assets			
Investments	7	330.02	1,908.97
Trade receivables	8	7,401.90	7,107.49
Cash and cash equivalents	9	4,495.65	3,616.81
Other balances with banks	9	1,805.40	154.74
Loans	10	21.38	48.34
Unbilled revenue	32(b)	737.74	969.91
Other financial assets	11	355.73	1,938.43
Other current assets	12	1,736.70	990.35
		16,884.52	16,735.04
TOTAL ASSETS		26,873.32	24,975.82
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	553.42	548.29
Other equity	31	18,370.81	16,587.16
Total equity		18,924.23	17,135.45
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	14	1,139.65	-
Other non-current liabilities	15	-	58.80
Provisions	16	695.34	637.37
		1,834.99	696.17
Current liabilities			
Financial liabilities			
Borrowings	17	-	381.15
Trade payables	18	-	-
- Outstanding dues of micro enterprises and small enterprises		4.34	10.51
- Outstanding dues of creditors other than micro enterprises and small enterprises		1,899.39	2,137.77
Lease liabilities	19	310.62	-
Other financial liabilities	20	1,931.51	3,154.66
Other current liabilities	21	1,190.20	887.11
Provisions	22	194.74	173.95
Income tax liabilities (net)		583.30	399.05
		6,114.10	7,144.20
TOTAL EQUITY AND LIABILITIES		26,873.32	24,975.82
Significant accounting policies	1		
Notes referred to above form an integral part of the consolidated financial statements	2-44		

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number :101248W/W-100022

Swapnil Dakshindas

Partner

Membership No. 113896

Place: Pune

Date: 20 May 2020

**For and on behalf of the Board of Directors of
BIRLASOFT LIMITED (Erstwhile KPIT Technologies Limited)**

CIN: L72200PN1990PLC059594

Dharmander Kapoor

CEO & Managing Director

DIN: 08443715

Place: Faridabad

Date: 20 May 2020

Amita Birla

Chairman

DIN: 00837718

Place: New Delhi

Date: 20 May 2020

Sneha Padve

Company Secretary

Place: Pune

Date: 20 May 2020

Consolidated Statement of Profit and Loss for the year ended on 31 March 2020

(Amount in ₹ million)

	Note	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Continuing operations			
Revenue from operations	23	32,909.69	25,506.67
Other income (net)	24	429.91	260.57
Total income		33,339.60	25,767.24
Expenses			
Employee benefits expense	25	19,975.41	15,351.93
Finance costs	26	161.27	108.43
Depreciation and amortization expense	2(i)	825.79	498.74
Other expenses	27	9,015.09	7,090.78
Total expenses		29,977.56	23,049.88
Profit before exceptional items and tax		3,362.04	2,717.36
Exceptional items ((Refer note 43(2) & (3))		-	175.85
Profit before tax		3,362.04	2,893.21
Tax expense	40		
Current tax		1,111.64	746.68
Deferred tax (benefit)/charge		6.92	(207.32)
Total tax expense		1,118.56	539.36
Profit after tax for the year from continuing operations		2,243.48	2,353.85
Discontinued operations			
Profit before tax from discontinued operations	43	-	880.83
Tax expense on discontinued operations	43	-	313.04
Profit after tax for the year from discontinued operations		-	567.79
Profit for the year		2,243.48	2,921.64
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		(42.02)	(13.24)
Income tax on items that will not be reclassified to profit or loss		14.69	3.53
Items that will be reclassified to profit or loss			
Exchange differences in translating the financial statements of foreign operations		679.43	119.18
Effective portion of gains/(losses) on hedging instruments in cash flow hedges		(329.84)	66.15
Income tax on items that will be reclassified to profit or loss		114.66	(22.47)
Total other comprehensive income		436.92	153.15
Total comprehensive income for the year		2,680.40	3,074.79
Profit attributable to			
Owners of the Company		2,243.48	2,894.71
Non-controlling interests		-	26.93
Profit for the year		2,243.48	2,921.64
Other comprehensive income attributable to			
Owners of the Company		436.92	153.58
Non-controlling interests		-	(0.43)
Other comprehensive income for the year		436.92	153.15
Total comprehensive income attributable to			
Owners of the Company		2,680.40	3,048.29
Non-controlling interests		-	26.50
Total comprehensive income for the year		2,680.40	3,074.79
Earnings per equity share for continuing operations (face value per share ₹ 2 each)			
Basic	37	8.11	11.00
Diluted	37	8.06	10.88
Earnings per equity share for discontinued operations (face value per share ₹ 2 each)			
Basic	37	-	2.53
Diluted	37	-	2.50
Earnings per equity share for continuing and discontinued operations (face value per share ₹ 2 each)			
Basic	37	8.11	13.53
Diluted	37	8.06	13.38
Significant accounting policies	1		
Notes referred to above form an integral part of the consolidated financial statements	2-44		

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration Number :101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896
Place: Pune
Date: 20 May 2020

**For and on behalf of the Board of Directors of
BIRLASOFT LIMITED (Erstwhile KPIT Technologies Limited)**
CIN: L72200PN1990PLC059594

Dharmander Kapoor
CEO & Managing Director
DIN: 08443715
Place: Faridabad
Date: 20 May 2020

Amita Birla
Chairman
DIN: 00837718
Place: New Delhi
Date: 20 May 2020

Sneha Padve
Company Secretary
Place: Pune
Date: 20 May 2020

Consolidated Statement of cash flows for the year ended on 31 March 2020

(Amount in ₹ million)

PARTICULARS	31 March 2020	31 March 2019
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	2,243.48	2,921.64
Adjustments for		
Income tax expense	1,118.56	852.40
(Profit)/Loss on sale of property, plant and equipment and intangible assets (net)	(4.70)	0.23
Share of loss of equity accounted investees (net of tax)	-	97.06
Depreciation / Amortization	825.79	1,055.33
Write-down of slow moving inventory	-	83.91
Interest expense	161.27	189.34
Interest income	(99.43)	(157.36)
Dividend income	-	(52.76)
Gain on sale / redemption of mutual funds	(80.54)	(110.11)
Fair value loss on financial assets (investments) at fair value through profit or loss	16.96	70.23
Profit on sale of shares in subsidiaries	-	(216.26)
Provision for doubtful debts and advances (net)	55.68	183.02
Bad debts written off	281.22	29.64
Share based compensation expenses	96.39	39.88
Unrealised foreign exchange loss/(gain)	198.69	46.78
Operating Profit before working capital changes	4,813.37	5,032.97
Adjustments for changes in working capital:		
Trade receivables and unbilled revenue	(218.95)	(5,385.29)
Inventories	-	(13.99)
Loans, other financial assets and other assets	695.93	(4,987.61)
Trade Payables	(272.33)	3,059.16
Other financial liabilities, other liabilities and provisions	(1,089.24)	1,957.80
Cash generated from / (used in) operations	3,928.78	(336.96)
Income taxes paid	(804.81)	(378.81)
Net cash generated from / (used in) operating activities (A)	3,123.97	(715.77)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including net movement in capital work-in-progress and capital advances)	(543.55)	(898.42)
Proceeds from sale of property, plant and equipment	25.04	0.76
Payment for acquiring right-of-use assets	(24.91)	-
Proceeds from sale of investment in subsidiary (net)	-	189.72
Sale of investments carried at fair value through profit and loss (net)	1,642.53	1,701.17
Interest received	42.81	144.59
Dividend received	-	52.76
Fixed Deposit with banks (net) having original maturity over three months	(1,604.33)	57.43
Net cash (used in) / generated from investing activities (B)	(462.41)	1,248.01

Consolidated Statement of cash flows for the year ended on 31 March 2020

(Amount in ₹ million)

PARTICULARS	31 March 2020	31 March 2019
C CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long term loan from banks	-	(89.40)
Proceeds from issue of Share Capital and application money	7.95	16.57
Repayment of Working Capital loan (net)	(381.15)	(356.65)
Repayment of lease liabilities	(394.02)	-
Dividend paid including corporate dividend tax	(995.96)	(554.02)
Interest and finance charges paid	(33.69)	(178.09)
Net cash used in financing activities (C)	(1,796.87)	(1,161.59)
D Exchange differences on translation of foreign currency cash and cash equivalents	14.15	(14.87)
Net Increase/ (decrease) in cash and cash equivalents (A + B+ C + D)	878.84	(644.22)
Cash and cash equivalents at close of the year (Refer note 1 below)	4,495.65	3,616.81
Cash and cash equivalents at beginning of the year (Refer note 1 below)	3,616.81	4,650.96
Cash and cash equivalents transferred pursuant to the Composite Scheme of arrangement (net) (Refer note 43)	-	(389.93)
Cash surplus / (deficit) for the year	878.84	(644.22)
Note 1:		
Cash and cash equivalents include:		
Cash on hand	0.14	0.16
Cheques in hand	137.77	311.43
Balance with banks		
- In current accounts	4,331.61	3,244.45
- In deposit accounts (with original maturity of 3 months or less)	26.13	60.77
Total Cash and cash equivalents	4,495.65	3,616.81
Note 2:		
Figures in brackets represent outflows of cash and cash equivalents.		
Note 3:		
The above Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard (Ind-AS) 7 on statement of cash flows.		

As per our report of even date attached
For B S R & Co. LLP
 Chartered Accountants
 Firm Registration Number :101248W/W-100022

Swapnil Dakshindas
Partner
 Membership No. 113896
 Place: Pune
 Date: 20 May 2020

**For and on behalf of the Board of Directors of
 BIRLASOFT LIMITED (Erstwhile KPIT Technologies Limited)**
 CIN: L72200PN1990PLC059594

Dharmander Kapoor
CEO & Managing Director
 DIN: 08443715
 Place: Faridabad
 Date: 20 May 2020

Amita Birla
Chairman
 DIN: 00837718
 Place: New Delhi
 Date: 20 May 2020

Sneha Padve
Company Secretary
 Place: Pune
 Date: 20 May 2020

Consolidated Statement of changes in equity for the year ended on 31 March 2020

A Equity share capital (Amount in ₹ million)

	Amount
Balance as at 01 April 2018	379.03
Changes in equity share capital during 2018-19	169.26
Balance as at 31 March 2019	548.29
Changes in equity share capital during 2019-20	5.13
Balance as at 31 March 2020	553.42

B Other equity

	Share application money pending allotment Employee Welfare Trust (EWT)	Reserves & surplus						Items of Other Comprehensive Income		Equity attributable to owners of the Company	Non-controlling interest	Total equity		
		Capital Reserve	Capital redemption reserve	Securities premium reserve	Share based payment reserve	General reserve	Amalgamation reserve	Retained earnings	Remeasurement of the net defined benefit Plans (Refer note 33 (2) & (3))				Foreign currency translation reserve	Effective portion of cash flow hedges (Refer note 28.3)
Balance as on 01 April 2018	2.59	27.71	40.00	3,904.43	197.98	255.21	51.40	13,224.61	(79.19)	175.63	(10.24)	17,790.13	35.67	17,825.80
Profit for the year	-	-	-	-	-	-	-	2,894.71	-	-	-	2,894.71	26.93	2,921.64
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	(9.71)	119.61	43.68	153.58	(0.43)	153.15
Total comprehensive income for the year	-	-	-	-	-	-	-	2,894.71	(9.71)	119.61	43.68	3,048.29	26.50	3,074.79
Transactions with owners recognised directly in equity														
Dividends	-	-	-	-	-	-	-	(456.59)	-	-	-	(456.59)	-	(456.59)
Dividend distribution tax	-	-	-	-	-	-	-	(9743)	-	-	-	(9743)	-	(9743)
Share based payments to employees	-	-	-	-	39.88	-	-	-	-	-	-	39.88	-	39.88
Application money received during the year	11.88	-	-	-	-	-	-	-	-	-	-	11.88	-	11.88
Additional stake purchased in MicroFuzzy Industrie-Elektronik GmbH	-	(127.08)	-	-	-	-	-	-	-	-	-	(127.08)	(30.28)	(157.36)
On account of merger (Refer note 43)	-	610.60	-	-	-	1,526.29	-	2,909.87	-	20.43	-	5,067.19	-	5,067.19
On account of demerger (Refer note 43)	(14.47)	(52.59)	-	-	-	(1,601.73)	-	(7,075.05)	45.27	19.21	(9.75)	(8,689.11)	(31.89)	(8,721.00)
Transfer to share based payment Reserve (Refer note 39(5))	-	-	-	-	-	-	255.76	(255.76)	-	-	-	-	-	-
Transfer from share based payment Reserve	-	-	-	89.87	(132.69)	-	-	-	-	-	-	-	-	-
Balance as on 31 March 2019	-	458.64	40.00	3,994.30	360.93	179.77	51.40	11,187.18	(43.63)	334.88	23.69	16,587.16	-	16,587.16

Consolidated Statement of changes in equity for the year ended on 31 March 2020

(Amount in ₹ million)

	Share application money pending allotment Employee Welfare Trust (EWT)	Reserves & surplus							Items of Other Comprehensive Income			Equity attributable to owners of the Company	Non-controlling interest	Total equity
		Capital Reserve	Capital redemption reserve	Securities premium reserve	Share based payment reserve	General reserve	Amalgamation reserve	Retained earnings	Remeasurement of the net defined benefit Plans (Refer note 33 (2) & (3))	Foreign currency translation reserve	Effective portion of cash flow hedges (Refer note 28.3)			
Balance as on 01 April 2019	-	458.64	40.00	3,994.30	360.93	179.77	51.40	11,187.18	(43.63)	334.88	23.69	16,587.16	-	16,587.16
Profit for the year	-	-	-	-	-	-	-	2,243.48	-	-	-	2,243.48	-	2,243.48
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	(27.33)	679.43	(215.18)	436.92	-	436.92
Total comprehensive income for the year	-	-	-	-	-	-	-	2,243.48	(27.33)	679.43	(215.18)	2,680.40	-	2,680.40
Transactions with owners recognised directly in equity														
Dividends	-	-	-	-	-	-	-	(826.14)	-	-	-	(826.14)	-	(826.14)
Dividend distribution tax	-	-	-	-	-	-	-	(169.82)	-	-	-	(169.82)	-	(169.82)
Share based payments to employees	-	-	-	-	96.39	-	-	-	-	-	-	96.39	-	96.39
Transfer from share based payment Reserve	-	-	-	243.40	(316.42)	-	-	75.84	-	-	-	2.82	-	2.82
Balance as on 31 March 2020	-	458.64	40.00	4,237.70	140.90	179.77	51.40	12,510.54	(70.96)	1,014.31	(191.49)	18,370.81	-	18,370.81

Significant accounting policies

Notes referred to above form an integral part of the consolidated financial statements

1

2-44

As per our report of even date attached

For BSR & Co. LLP

Chartered Accountants

Firm Registration Number :101248W/W-100022

**For and on behalf of the Board of Directors of
BIRLASOFT LIMITED (Erstwhile KPIT Technologies Limited)**

CIN: L72200PN1990PLC059594

Swapnil Dakshindas

Partner

Membership No. 113896

Place: Pune

Date: 20 May 2020

Dharmender Kapoor

CEO & Managing Director

DIN: 08443715

Place: Faridabad

Date: 20 May 2020

Amita Birla

Chairman

DIN: 00837718

Place: New Delhi

Date: 20 May 2020

Sneha Padve

Company Secretary

Place: Pune

Date: 20 May 2020

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

Group Overview

Birlasoft Limited (Erstwhile KPIT Technologies Limited) ("the Company") is a public limited company incorporated under the Companies Act, 1956 and its shares are listed on the National Stock Exchange and Bombay Stock Exchange. The Company's registered office is in Pune and it has subsidiaries and joint venture across multiple geographies. Most of the revenue is generated from the export of services.

The Group provides Software Development, global IT consulting to its clients, predominantly in Banking, Financial Services and Insurance, Life Sciences and Services, Energy Resources and Utilities and Manufacturing (which mainly includes Discrete Manufacturing, Hi-Tech & Media, Auto and Consumer packaged goods) verticals.

During the previous year, the Company entered into the composite scheme of arrangement for (a) amalgamation of Birlasoft (India) Limited (Transferor company) with Birlasoft Limited (Erstwhile KPIT Technologies Limited) (Transferee company or demerged company) and (b) demerger of engineering business of Birlasoft Limited (Erstwhile KPIT Technologies Limited) into KPIT Technologies Limited (Erstwhile KPIT Engineering Limited) (Resulting company) which has been approved by the National Company Law Tribunal (NCLT) Mumbai Bench on 29 November 2018 and certified copy of the order was received on 18 December 2018.

These Consolidated Financial Statements were authorised for issue by the Group's Board of Directors on 20 May 2020.

1. Significant accounting policies

1.1 Basis of consolidation

The Consolidated Financial Statements relate to Birlasoft Limited (Erstwhile KPIT Technologies Limited) ("the Company"), its subsidiary companies and its joint venture which constitutes "the Group".

a. Basis of preparation of consolidated financial statements

- i. The financial statements of the subsidiary companies and the joint venture, used in the consolidation, have been aligned with the parent group and are drawn up to the same reporting date as of the group, i.e. year ended 31 March 2020.
- ii. The consolidated financial statements are prepared in accordance with the Indian Accounting Standards ("Ind-AS") as specified under Section 133 of the Companies Act, 2013 read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, the provisions of Companies Act, 2013 and the composite scheme approved by NCLT. The financial statements are presented in millions of Indian rupees rounded off to two decimal places, except per share information, unless otherwise stated.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements have been prepared on the historical cost basis, except business combination (other than business combination under common control), accounting for share based payments, defined benefit obligations and certain financial instruments, which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Use of estimates

The preparation of consolidated financial statements requires the management of the group to make judgments, estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenditure during the year. Actual results could differ from estimates. Differences between actual results and estimates are recognized in the year in which the results are known / materialized.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

Critical accounting estimates

i. Revenue Recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and satisfaction of performance obligation. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

ii. Income tax

The Group's two major tax jurisdictions are India and the U.S., though the Group also files tax returns in other overseas jurisdictions. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

iii. Business combinations

Business combinations are accounted for using Ind-AS 103, Business Combinations. Ind-AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets.

iv. Impairment of goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefiting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

v. Measurement of defined benefit obligation, share based payments and key actuarial assumptions

Information about assumptions and estimation uncertainties in respect of defined benefit obligations and share based payments is included in note 33 and 39 respectively.

vi. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

vii. Estimation uncertainties relating to the COVID-19 pandemic

The Group has considered the possible effects that may result from COVID-19, a global pandemic, on the carrying amount of receivables, unbilled revenue, intangible assets and goodwill. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including economic forecasts. The Group based on current estimates expects the carrying amount of the above assets will be recovered, net of provisions established. Considering the fact that the global situation is evolving day by day with new facts and numbers, the impact of the pandemic on the Group's financial statements may differ from that estimated as at the date of approval of these consolidated financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

b. Principles of consolidation:

The Consolidated financial statements have been prepared on the following basis:

- i. The financial statements of all entities are drawn up to same reporting date as that of the parent group i.e. 31 March 2020 for the purpose of preparation of consolidated financial statements.
- ii. The Company consolidates all the entities over which it has control. The Company establishes control when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which the control ceases.
- iii. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealized profits or losses have been fully eliminated. These financial statements are prepared by applying uniform accounting policies in use at the Company.
- iv. The excess of cost of acquisition to the Group over the share of net fair value of identifiable assets, liabilities and contingent liabilities of the subsidiary companies, at the acquisition dates, is recognized as 'Goodwill on consolidation' being an asset in the consolidated financial statements. Alternatively, where the share of net fair value of identifiable assets, liabilities and contingent liabilities of the subsidiary companies, on the acquisition date, is in excess of cost of acquisition, it is immediately recognized as gain in the Statement of Profit and Loss in the consolidated financial statements.
- v. Non-controlling interest is initially measured either at fair value or at the proportionate share of the subsidiary companies' identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequently, the carrying amount of non-controlling interest is adjusted for the changes in the equity of the subsidiary companies.
- vi. The investments in joint venture are accounted for using equity method. The investment is initially recognized at cost and the carrying amount is increased or decreased to recognize the Company's share of the profit or loss of the investee after the date of acquisition. The Company's share of the investee's profit or loss is recognized in the Statement of Profit and Loss.

c. Business Combinations

- i. Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.
- ii. Transaction costs that the Group incurs in connection with a business combination such as finders' fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.
- iii. Business combinations involving entities under common control is accounted for at carrying value using the pooling of interest method.
- iv. When there is change in the Group's interest in subsidiary companies, that does not result in loss of control, it is accounted for as equity transaction. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Group.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

- v. When the Group loses control on a subsidiary, the assets and liabilities of that subsidiary and non-controlling interest, if any, are derecognized from the consolidated financial statements. The investment retained, if any, is recognized at fair value on that date. The gain or loss associated with the loss of control, attributable to the former controlling interest, is recognized in the Statement of Profit and Loss.
- vi. Impact of any changes in the purchase consideration, after the measurement period, is recorded in the Statement of Profit and Loss.

d. Goodwill

Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisition, a gain is recognized immediately in net profit in the Statement of Profit and Loss. Goodwill is measured at cost less accumulated impairment losses.

1.2 Current–non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a. it is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realized within 12 months after the reporting date; or
- d. 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 date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the Group's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. 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 current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The operating cycle of the Group is less than twelve months.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

1.3 Revenue recognition

The Group earns revenue primarily from providing IT services, consulting and business solutions. The Group offers a consulting-led, integrated portfolio of IT.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred/ efforts expended determining the degree of completion of the performance obligation.
- Revenue from third party software is recognised upfront at the point in time when software is delivered to the customer, such revenue is recognised on net basis when the Group is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Expenses reimbursed by customers during the project execution are recorded as reduction to associated costs. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is amortized on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates.

Unearned revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with Ind AS 37, the Group recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Group disaggregates revenue from contracts with customers by geography and business horizontals.

Use of significant judgements in revenue recognition

- i. The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

- ii. Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- iii. The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- iv. The Group exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- v. Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of the completion of the performance obligation.
- vi. Contract Fulfillment costs are generally expensed as incurred except for costs which meet the criteria for capitalization as per Ind AS 115. Such costs are amortised over the contractual period. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

1.4 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of that asset. All other borrowing costs are charged to the Statement of Profit and Loss.

The exchange differences arising from foreign currency borrowings, to the extent that they are regarded as an adjustment to interest costs, are regrouped from foreign exchange differences to finance costs.

1.5 Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. If significant parts of an item of property, plant and equipment have different useful lives, than they are accounted for as separate items (major components) of property, plant and equipment. The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets under construction are disclosed as capital work-in-progress.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

1.6 Intangible assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment, if any.

In case of internally generated intangibles, costs incurred during the research phase of a project are expensed when incurred. Development activities involve a plan or design for the production of new or substantially improved products or processes. Development expenditure is capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalized includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable borrowing costs (in the same manner as in the case of property, plant and equipment). Other development expenditure is recognized in the Statement of Profit and Loss as incurred.

Intangible assets are derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal or when the economic benefits are not measurable.

1.7 Depreciation and amortization

Depreciation on property, plant and equipment is provided on the straight-line method over the useful lives of the assets. The estimated useful lives are as follows:

Type of asset	Useful life (No. of years)
Buildings ⁽¹⁾	25
Plant and equipment ⁽¹⁾	3-4
Office Equipment ⁽¹⁾	5-10
Owned Vehicle ⁽¹⁾	5
Furniture and fixtures ⁽¹⁾	7-10

⁽¹⁾ For these class of assets, based on internal assessment, the useful lives as given above are believed to best represent the period over which the assets are expected to be used. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Right-of-use assets taken on lease are amortized over shorter of useful lives and the period of lease.

Perpetual software licenses are amortized over 4 years. However, time-based software licenses are amortized over the license period.

Capitalized development costs are amortized over a period of 3 to 4 years.

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Improvements to leased premises are amortized over the remaining non-cancellable period of the lease.

Depreciation and amortisation methods, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

1.8 Impairment

a. Financial assets

The Group assesses at each Balance Sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Expected

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recorded as an impairment gain or loss in Statement of Profit or Loss.

b. Non- financial assets

i. Property, plant and equipment and intangible assets

The management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. Impairment loss is recognized when the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's fair value less cost of disposal and value in use. For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Intangible assets which are not yet available for use are tested for impairment annually. Other assets (tangible and intangible) are reviewed at each reporting date to determine if there is any indication of impairment. For assets in respect of which any such indication exists and for intangible assets mandatorily tested annually for impairment, the asset's recoverable amount is estimated.

If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the assets or CGU's recoverable amount is estimated. For assets other than goodwill, the impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Such a reversal is recognized in the Statement of Profit and Loss.

ii. Goodwill

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.9 Inventories

Inventories which comprise raw materials, work-in-progress, finished goods and stores and spares, are carried at the lower of cost and net realizable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

1.10 Leases

The Group has primarily leased rental offices premises , guest house, parking space, laptops etc across multiple locations.

The Ministry of Corporate Affairs (MCA) notified IND AS 116 , the new lease accounting standard on 30 March 2019 and came into force with effect from 01 April 2019. IND AS 116 has replaced the guidance in IND AS 17 "Leases". The effect of initially applying this standard is recognised at date of initial application (i.e. 01 April 2019). Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

The Group has applied IND AS 116 using the modified retrospective approach as per C5(b) of the standard. Accordingly the group has not restated the comparative information, i.e. comparative information continues to be reported under IND AS 17. Refer note 1.10 Significant accounting policy in the annual report of the company for the year ended 31 March 2019 for lease accounting policy as per IND AS 17.

The impact of adoption of this accounting standard is disclosed in Note 36.

At the inception of contract the Group assesses whether the contract is, or contains a lease. A contract is, or contains, a lease if the contract involves use of an identified asset and conveys the right to control the use of asset for period of time in exchange for consideration i.e. customer has right to:

- obtain substantially all the economic benefits from using the asset and
- direct the use of asset"

Group as a lessee

a. Recognition and measurement

The Group recognises the right of use asset and lease liability at the commencement date of lease. The right of use asset is initially measured at cost, which comprises of present value of future lease rent payout adjusted for any payment made at or before commencement date any initial direct cost incurred and an estimate of cost to dismantle or remove an underlying asset or to restore an asset less any lease incentive received.

The lease liability is initially measured at present value of lease payments that is not paid at commencement date discounted at implicit rate mentioned in lease or incremental borrowing rate. The Group generally uses incremental borrowing rate as discount rate. The right-of-use assets is depreciated using the straight-line method from the commencement date over the useful life of right-of-use asset. The lease liability is subsequently measured at amortised cost using effective interest method. It is remeasured to reflect any lease modifications or reassessments.

b. Extension and termination of lease

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

c. Short term leases and low value assets

The Group has elected not to recognise right of use of assets and lease liabilities for short-term leases that have lease term of 12 months or less and leases of low value assets. The Group recognises the lease payments associated with these leases as an expense on a straight- line basis over lease term.

d. Impairment testing for right of use of assets

Right of use of assets are tested for impairment whenever there is any indication that their carrying amount is not recoverable. Impairment loss, if any, is recognised in statement of profit and loss.

1.11 Earnings per share

Basic earnings per share are computed by dividing the net profit for the year after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year after

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

tax by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

1.12 Foreign currency transactions

a. Functional and presentation currency

Indian Rupee is the Group's functional as well as presentation currency. For each subsidiary the Group determines the functional currency and items included in the Consolidated Financial Statements of each entity are measured using that functional currency.

- b. Transactions in foreign currencies are translated to the respective functional currencies of the Group companies at the exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currencies are translated into the functional currency at the year-end rates. The exchange differences so determined and also the realized exchange differences are recognized in the Statement of Profit and Loss. Non-monetary items denominated in foreign currencies and measured at fair value are translated into the functional currency at the exchange rate prevalent at the date when the fair value was determined. Non-monetary items denominated in foreign currencies and measured at historical cost are translated into the functional currency at the exchange rate prevalent at the date of transaction.

c. Translation of foreign operations

For translating the financial statements of foreign branches and subsidiaries, their functional currencies are determined. The results and the financial position of the foreign branches and subsidiaries are translated into presentation currency so that the foreign operation could be included in the consolidated financial statements.

The assets and liabilities of the foreign operation with functional currencies other than the presentation currency are translated to the presentation currency using the closing exchange rate on the Balance Sheet date and the Statement of Profit and Loss using the average exchange rates for the month in which the transactions occur. The resulting exchange differences are accumulated in 'foreign currency translation reserve' in the Statement of Changes in Equity through Other comprehensive income. On the disposal of a foreign operation, the cumulative amount of the foreign currency translation reserve which relates to that operation is reclassified from equity to the Statement of Profit and Loss (as a reclassification adjustment) when the gain or loss on disposal is recognized. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the Balance Sheet date.

1.13 Employee benefits

i) Post-employment benefit plans

Defined benefit plan

The Group's gratuity scheme is a defined benefit plan. For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with independent actuarial valuations being carried out at each Balance Sheet date. Remeasurement of net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effects of asset ceiling (if any, excluding interest) are recognized in Other Comprehensive Income for the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss. Past service cost is recognized immediately to the extent that the benefits are already vested or amortized on a straight-line basis over the average period until the benefits become vested.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets, if any. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Group's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

ii) Compensated absences

The employees of certain locations can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Remeasurement gains/losses are recognised in the Statement of Profit and Loss in the period in which they arise.

iii) Other employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the service. These benefits include compensated absences (which cannot be carried forward) such as paid annual leave, overseas social security contributions, bonus and performance incentives.

1.14 Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

The taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates for the purposes of current and deferred tax have been determined on the basis of Company's evaluation of acceptability of its tax positions by the taxation authorities.

Minimum Alternate Tax

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognized as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognized as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

1.15 Provisions, Contingent liabilities and Contingent assets

The Group recognizes provisions only when it has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

No provision is recognized for –

- a. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- b. Present obligations that arise from past events but are not recognized because-
 - 1) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - 2) A reliable estimate of the amount of obligation cannot be made.

Such obligations are disclosed as contingent liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent assets are not recognized in the consolidated financial statements since this may result in the recognition of income that may never be realized.

Onerous contracts

Provisions for onerous contracts are recognized 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.

Warranty

The Group has an obligation by way of warranty to maintain the software during the period of warranty, as per the contractual requirements, for certain products/licenses. Costs associated with such sale are accrued at the time when related revenues are recorded and included in cost of service delivery. The Group estimates such cost based on historical experience and the estimates are reviewed periodically for material changes in the assumptions.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

Decommissioning Liability

The Group uses various premises on lease to run its operation and records a provision for decommissioning costs to be incurred for the restoration of these premises at the end of the lease period. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is expensed as incurred and recognised in the Statement of Profit and Loss as an interest expense. The estimated future costs of decommissioning and interest rate are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

1.16 Research and development:

Costs incurred during the research phase of a project are expensed when incurred. Costs incurred in the development phase are recognized as an intangible asset in accordance with policy defined in 1.6.

1.17 Employee stock option

In respect of stock options granted pursuant to the Group's Employee Stock Option Scheme, the Group recognizes employee compensation expense, using the grant date fair value in accordance with Ind-AS 102 - Share Based Payment, on straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares.

1.18 Financial instruments

a. Initial recognition

Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

b. Subsequent measurement

i) Non-derivative financial instruments

Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

However, in cases where the Group has made an irrevocable election for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, the subsequent changes in fair value are recognized in other comprehensive income.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

ii) Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Group does not use derivative financial instruments for speculative purposes. The counter-party to the Group's foreign currency forward contracts is generally a bank.

Financial assets or financial liabilities, at fair value through profit or loss

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the Statement of Profit and Loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date.

Cash flow hedge

The use of hedging instruments is governed by the Group's policy approved by the Board of Directors, which provides written principles on the use of such financial derivatives consistent with the Group's risk management strategy.

The Group designates certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on firm commitments and highly probable forecast transactions.

Hedging instruments are initially measured at fair value and are re-measured at subsequent reporting dates. The effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecast transactions any cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve is retained until the forecast transaction occurs. When a hedged transaction occurs or is no longer expected to occur, the net cumulative gain or loss recognized in cash flow hedging reserve is transferred to the Statement of Profit and Loss.

The amount recognised in Other comprehensive income is reclassified to profit or loss as a reclassification adjustment in the same period as the hedged cash flows affect profit or loss, and in the same line item in the Statement of Profit or Loss and Other comprehensive income.

iii) Treasury Shares

When any entity within the Group purchases the Group's ordinary shares, the consideration paid including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/ from share premium.

c. Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind-AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

d. Fair value of financial instruments

The Group uses discounted cash flow analysis method for the fair value of its financial instruments except for employee stock options (ESOP), where Black and Scholes options pricing model is used. The method of assessing fair value results in general approximation of value and such value may never actually be realized.

For all other financial instruments the carrying amount approximates fair value due to short maturity of those instruments.

All assets and liabilities for which fair value is measured are categorized 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:

- a. Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- b. Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- c. Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's finance team determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The team comprises of the head of the treasury operation and chief finance officer.

External valuers are involved for valuation of significant assets and liabilities. Involvement of external valuers is decided on the basis of nature of transaction and complexity involved. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the finance team analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the team verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. A change in fair value of assets and liabilities is also compared with relevant external sources to determine whether the change is reasonable.

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.

1.19 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Group's cash management.

1.20 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

1.21 Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

1.22 Discontinued Operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from those of the rest of the Group and which represents a separate major line of business or geographical area of operations and

- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

When an operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period.

1.23 Common control business combinations

Business combinations arising from transfer of interests in entities that are under the control of the shareholder that control the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established.

Business combinations involving entities that are controlled by the group are accounted for using the pooling of interests method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
- The difference, if any, between consideration and the amount of share capital of required entity is transferred to capital reserve.

1.24 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 01 April 2020.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

2A Property, plant and equipment

	Land (Leasehold)	Building	Leasehold improvements	Plant and Equipment	Furniture and Fixtures	Vehicles		Office Equipments	Total
						Leased	Owned		
Gross carrying amount as at 01 April 2018	469.16	1,342.01	309.32	1,390.97	232.48	6.75	30.44	541.32	4,322.45
Additions	-	124.99	2.94	543.62	29.24	-	12.88	64.64	778.31
On account of merger	-	-	651.44	222.28	87.00	-	1.74	138.04	1,100.50
On account of demerger	405.40	1,080.97	149.94	809.53	163.56	1.72	35.64	385.61	3,032.37
Addition on account of acquisition	-	-	-	1.05	-	-	-	-	1.05
Foreign exchange translation	-	-	0.84	(6.64)	8.56	-	0.81	6.21	9.78
Disposal/retirements/derecognition	-	-	0.03	9.27	0.17	-	-	0.03	9.50
Gross carrying amount as at 31 March 2019	63.76	386.03	814.57	1,332.48	193.55	5.03	10.23	364.57	3,170.22
Accumulated depreciation as at 01 April 2018	18.99	80.40	102.13	778.28	73.71	5.73	16.83	150.87	1,226.94
Depreciation (Refer note (i) below)	5.68	50.89	58.58	301.85	28.79	0.95	6.78	53.62	507.14
On account of merger	-	-	160.99	136.01	53.37	-	0.66	67.27	418.30
On account of demerger	15.24	46.27	36.15	202.62	39.16	1.67	15.51	73.35	429.97
Addition on account of acquisition	-	-	-	0.84	-	-	-	-	0.84
Foreign exchange translation	-	-	0.99	(2.00)	4.50	0.02	0.67	7.05	11.23
Disposal/retirements/derecognition	-	-	0.07	8.28	0.14	-	-	0.02	8.51
Accumulated depreciation as at 31 March 2019	9.43	85.02	286.47	1,004.08	121.07	5.03	9.43	205.44	1,725.97
Gross carrying amount as at 01 April 2019	63.76	386.03	814.57	1,332.48	193.55	5.03	10.23	364.57	3,170.22
Reclassified on account of adoption of IND AS 116	63.76	-	-	-	-	-	-	-	63.76
Additions	-	-	186.44	149.24	6.86	-	-	28.03	370.57
Foreign exchange translation	-	0.31	1.35	13.05	4.16	-	0.07	12.82	31.76
Disposal/retirements/derecognition	-	-	2.86	4.92	2.82	-	-	14.23	24.83
Gross carrying amount as at 31 March 2020	-	386.34	999.50	1,489.85	201.75	5.03	10.30	391.19	3,483.96
Accumulated depreciation as at 01 April 2019	9.43	85.02	286.47	1,004.08	121.07	5.03	9.43	205.44	1,725.97
Reclassified on account of adoption of IND AS 116	9.43	-	-	-	-	-	-	-	9.43
Depreciation	-	20.58	107.73	179.62	16.96	-	0.19	28.45	353.53
Foreign exchange translation	-	0.05	0.83	11.90	6.95	-	0.10	5.24	25.07
Disposal/retirements/derecognition	-	-	2.13	4.70	2.05	-	-	13.07	21.95
Accumulated depreciation as at 31 March 2020	-	105.65	392.90	1,190.90	142.93	5.03	9.72	226.06	2,073.19
Carrying amount as at 31 March 2019	54.33	301.01	528.10	328.40	72.48	-	0.80	159.13	1,444.25
Carrying amount as at 31 March 2020	-	280.69	606.60	298.95	58.82	-	0.58	165.13	1,410.77

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

2B Right-of-use assets

	Office Premises	Land	Total
Recognised on adoption of Ind AS 116 as at 01 April 2019	1,462.24	-	1,462.24
Reclassified on account of adoption of IND AS 116	-	63.76	63.76
Additions	248.14	11.40	259.54
Foreign exchange translation	22.04	-	22.04
Disposal/retirements/derecognition	59.87	-	59.87
Gross carrying amount as at 31 March 2020	1,672.55	75.16	1,747.71
Reclassified on account of adoption of IND AS 116	-	9.43	9.43
Depreciation	364.95	2.44	367.39
Foreign exchange translation	4.70	-	4.70
Disposal/retirements/derecognition	23.22	-	23.22
Accumulated depreciation as at 31 March 2020	346.43	11.87	358.30
Carrying amount as at 31 March 2019	-	-	-
Carrying amount as at 31 March 2020	1,326.12	63.29	1,389.41

2C Goodwill on consolidation

Particulars	31 March 2020	31 March 2019
Carrying amount at the commencement of the year	4,219.15	4,275.06
Goodwill on acquisition of Birlasoft Solutions GmbH (erstwhile KPIT Solutions GmbH) (Refer note 43(5))	-	508.88
Transfer on account of merger (Refer note 43(1))	-	258.69
Transfer on account of demerger (Refer note 43(1))	-	(959.98)
Foreign exchange translation	322.32	136.50
Carrying amount at the end of the year	4,541.47	4,219.15

2D Other intangible assets

	Internally Generated		Other than Internally Generated	Total
	Product Development Cost (Refer note (ii))	Technical Knowhow	Software	
Gross carrying amount as at 01 April 2018	971.13	9.51	1,058.86	2,039.50
Additions	211.68	-	361.21	572.89
On account of merger	-	-	119.93	119.93
On account of demerger	864.55	9.51	754.75	1,628.81
Foreign exchange translation	12.71	-	3.90	16.61
Gross carrying amount as at 31 March 2019	330.97	-	789.15	1,120.12
Accumulated amortisation as at 01 April 2018	337.98	9.50	768.29	1,115.77
Amortisation (Refer note (i) below)	296.40	-	251.79	548.19
On account of merger	-	-	112.45	112.45
On account of demerger	402.19	9.50	468.34	880.03
Foreign exchange translation	4.79	-	1.40	6.19
Accumulated amortisation as at 31 March 2019	236.98	-	665.59	902.57

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

	Internally Generated		Other than Internally Generated	Total
	Product Development Cost (Refer note (ii))	Technical Knowhow	Software	
Gross carrying amount as at 01 April 2019	330.97	-	789.15	1,120.12
Additions	-	-	73.54	73.54
Foreign exchange translation	27.08	-	5.48	32.56
Disposal/retirements/derecognition	24.52	-	-	24.52
Gross carrying amount as at 31 March 2020	333.53	-	868.17	1,201.70
Accumulated amortisation as at 01 April 2019	236.98	-	665.59	902.57
Amortisation	44.55	-	60.32	104.87
Foreign exchange translation	23.94	-	9.17	33.11
Disposal/retirements/derecognition	7.06	-	-	7.06
Accumulated amortisation as at 31 March 2020	298.41	-	735.08	1,033.49
Carrying amount as at 31 March 2019	93.99	-	123.56	217.55
Carrying amount as at 31 March 2020	35.12	-	133.09	168.21

Notes:

- Depreciation and amortisation of continuing operations relating to Property, plant and equipment and Intangible assets for Previous year ₹ 498.74 million.
- With respect to some of the intangible assets, the Company was unable to track separately the future economic benefits and the expected cash flows, but yielding results at the combined business level. Further, it was difficult to assess the period over which the benefits were expected to flow. Hence, during the previous year, the Company had impaired the intangible asset, resulting in an impairment loss of ₹ 90.30 million, recognised under depreciation and amortization expense in the Statement of Profit and Loss in continuing and discontinued operations.

3. Loans

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
<i>(Unsecured, considered good unless otherwise stated)</i>		
Loans and advances to other than related parties		
Security deposits	147.43	100.34
	147.43	100.34

Note:

- Information about the Group's exposure to interest rate risk, foreign currency risk and credit risk is disclosed in note 28.

4. Other financial assets

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
<i>(Unsecured, considered good unless otherwise stated)</i>		
Fixed deposits with banks	30.98	68.30
Margin money deposits	2.83	11.21
Interest accrued on fixed deposits	0.95	3.76
Others	-	0.51
	34.76	83.78

Note:

- Information about the Group's exposure to interest rate risk, foreign currency risk, credit risk and liquidity risk is disclosed in note 28.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

5. Deferred tax assets (net)

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Deferred tax assets		
-Provision for doubtful debts and advances	110.99	104.19
-Provision for compensated absences	132.16	140.79
-Provision for gratuity	97.47	82.30
-Gratuity fund plan liabilities	4.07	-
-Excess of depreciation/amortisation on property, plant and equipment provided in books over depreciation/amortisation as under income-tax law.	160.27	185.34
-Forward contracts designated as cash flow hedges	102.86	-
-Transaction cost	184.71	302.08
-Rent equilisation reserve	-	5.54
-Accrued expenses	131.50	55.22
-Unearned revenue	-	28.34
-Lease liabilities	388.72	-
-Others (mainly includes employee related provision)	141.91	53.17
-MAT credit entitlement	128.03	516.98
	1,582.69	1,473.95
Deferred tax liabilities		
-Excess of depreciation/amortisation on property, plant and equipment under income-tax law over depreciation/amortisation provided in accounts	7.62	2.35
-Forward contracts designated as cash flow hedges	-	11.80
-Forward contracts designated as fair value through profit and loss	-	16.40
-Gratuity fund plan assets	-	4.27
-Right-of-use assets	358.12	-
-Others	16.83	6.54
	382.57	41.36
Net deferred tax asset	1,200.12	1,432.59

6. Other non-current assets

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
<i>(Unsecured, considered good unless otherwise stated)</i>		
Capital advances	0.58	2.54
Advance rentals	-	21.97
Prepaid expenses	7.70	5.35
Contract Fulfillment Cost	85.22	-
Balance in Group Gratuity Trust Account	21.86	21.86
	115.36	51.72

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

7. Current investments

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Investments in equity instruments of other entities measured at fair value through profit or loss (unquoted)		
Saraswat Co-operative Bank Limited	0.00*	0.00*
1 (Previous year 1) equity share of ₹ 10 each fully paid up		
Investments in Mutual funds measured at fair value through profit or loss (quoted)		
44,077 units (Previous year Nil units) - Axis Liquid Fund - Direct plan Growth	96.71	-
12,250 units (Previous year 135,131 units) L&T Liquid fund Regular Growth	33.21	345.08
Nil units (Previous year 126,173 units) Kotak liquid Regular Plan-Growth	-	476.01
Nil units (Previous year 101,124 units) HDFC Liquid Fund-Regular Plan- Growth	-	370.15
342,074 units (Previous year 672,404 units) ICICI Prudential Liquid Fund- Growth	100.06	185.19
Nil units (Previous year 31,777 units) ICICI Prudential Money Market Fund- Growth	-	8.22
314,846 units (Previous year 1,753,558 units) Aditya Birla sun life liquid Fund- Growth	100.04	524.32
	330.02	1,908.97

* Since denominated in ₹ Million

Note:

(i) Information about the Group's exposure to credit risk and liquidity risk is disclosed in note 28.

8. Trade receivables

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
<i>(Unsecured)</i>		
Trade Receivables considered good	7,401.90	7,107.49
Trade Receivables - credit impaired	369.59	293.90
	7,771.49	7,401.39
Less: Allowances for bad and doubtful trade receivables	369.59	293.90
	7,401.90	7,107.49

Notes:

(i) Trade receivables from related parties are disclosed in note 35.

(ii) The Group's exposure to credit risk, currency risk and loss allowance related to trade receivables are disclosed in note 28.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

9. Cash and bank balances

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Cash and cash equivalents		
- Cash on hand	0.14	0.16
- Cheques in hand	137.77	311.43
Balances with banks		
- In current accounts	4,331.61	3,244.45
- In deposit accounts (with original maturity of 3 months or less)	26.13	60.77
	4,495.65	3,616.81
Other bank balances (includes unclaimed dividend of ₹ 7.97 million (Previous year ₹ 7.35 million))	1,805.40	154.74
	6,301.05	3,771.55

Note:

(i) Information about the Group's exposure to credit risk, interest rate risk, foreign currency risk and liquidity risk is disclosed in note 28.

10. Loans

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
<i>(Unsecured, considered good unless otherwise stated)</i>		
Loans and advances to other than related parties		
Other loans and advances		
Security deposits		
- Considered good	21.32	48.28
- Credit impaired	2.03	9.16
	23.35	57.44
Less: Allowance for doubtful advances	2.03	9.16
	21.32	48.28
Other receivables	0.06	0.06
	21.38	48.34

Note:

(i) Information about the Group's exposure to credit risk, interest rate risk, foreign currency risk and liquidity risk is disclosed in note 28.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

11. Other current financial assets

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
<i>(Unsecured, considered good unless otherwise stated)</i>		
Interest accrued on fixed deposits	52.81	4.16
Forward contracts		
- designated as cash flow hedges	-	35.50
- measurement at fair value through profit & loss	-	46.92
Other receivables	302.92	1,851.85
	355.73	1,938.43

Note:

(i) Information about the Group's exposure to credit risk, interest rate risk, foreign currency risk and liquidity risk is disclosed in note 28.

12. Other current assets

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
<i>(Unsecured, considered good unless otherwise stated)</i>		
Contract assets -from fixed price contracts (Refer note 32(b))	1,033.10	246.93
Advance to suppliers	66.95	88.99
Employee advances		
- Considered good	85.75	81.90
- Credit impaired	44.53	35.10
	130.28	117.00
Less: Provision for doubtful advances	44.53	35.10
	85.75	81.90
Balances with statutory authorities	296.51	287.68
Gratuity fund plan assets (Refer note 33(3))	-	12.22
Advance rentals	-	5.72
Prepaid expenses	240.87	260.26
Contract Fulfillment Cost	11.50	-
Others	2.02	6.65
	1,736.70	990.35

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

13. Equity share capital

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Authorised:		
870,000,000 (Previous year 870,000,000) equity shares of ₹ 2 each.	1,740.00	1,740.00
	1,740.00	1,740.00
Issued subscribed and fully paid up:		
276,708,577 (Previous year 274,143,808) equity shares of ₹ 2 each fully paid up	553.42	548.29
	553.42	548.29

13.1 The Company declares and pays dividends in Indian rupees. Interim dividend was declared by Board of Directors in their meeting held on January 31, 2020. The interim dividend distributed to the members of the Company is ₹ 333.59 million (including Dividend Distribution Tax) i.e. ₹ 1.00 per share of face value of ₹ 2 per share.

The dividend proposed to be distributed to equity shareholders for the year ended 31 March 2020 is ₹ 276.71 million i.e. ₹ 1.00 per share (Previous year ₹ 548.29 million i.e. ₹ 2.00 per share). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Dividends during the year ended 31 March 2020 include ₹ 2.00 per share towards final dividend for the year ended 31 March 2019 and ₹ 1.00 per share towards interim dividend for the year ended 31 March 2020. Dividends during the year ended 31 March 2019 include ₹ 2.40 per share towards final dividend for the year ended 31 March 2018.

13.2 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive a share in the 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.

13.3 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number of shares	(₹)	Number of shares	(₹)
Equity shares				
At the beginning of the year	274,143,808	548.29	189,514,051	379.03
Add: Shares issued on exercise of employee stock options	2,564,769	5.13	2,343,318	4.69
Add: Shares issued in business combination (Refer note 43)	-	-	76,645,066	153.29
Add: Shares held by Employee Welfare Trust (EWT)*	-	-	5,641,373	11.28
Outstanding at the end of the year	276,708,577	553.42	274,143,808	548.29

* Pursuant to the composite scheme of arrangement the shares held by EWT have been transferred to the resulting company hence are not eliminated in both current and previous year.

13.4 The Company has only one class of shares referred to as equity shares having a par value of ₹ 2 each. Each shareholder of equity shares is entitled to one vote per share.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

13.5 Number of equity shares held by each shareholder holding more than 5% shares in the Company are as follows:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number of shares	(₹)	Number of shares	(₹)
National Engineering Industries Limited	100,371,174	36.27%	86,663,985	31.61%
Proficient Finstock LLP	-	-	15,130,949	5.52%

13.6 Aggregate number of equity shares allotted as fully paid up by way of bonus shares for the period of five years immediately preceding the Balance Sheet date - Nil (Previous year - Nil)

13.7 Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

- (i) 76,645,066 (Previous year : 76,645,066) equity shares of ₹ 2 each have been allotted as fully paid up pursuant to the amalgamation of the transferor company.
- (ii) 4,908,087 (Previous year : 2,343,318) equity shares have been issued under Employee stock option plan.

13.8 Capital Management

The Company's objective is to safeguard its ability to continue as a going concern and to maintain investor, creditor and market confidence and to maximize shareholder value. In order to fulfil its objective, the management of the Company monitors the return on capital as well as the level of dividends to ordinary shareholders.

14. Lease liabilities -non current

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Lease liabilities (Refer note 36)	1,139.65	-
	1,139.65	-

Note:

- (i) Information about the Group's exposure to foreign currency risk, liquidity risk and interest rate risks is disclosed in note 28.

15. Other non-current liabilities

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Lease equilisation reserve	-	58.80
	-	58.80

16. Provisions -non current

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Provision for employee benefits		
- Compensated Absences	437.10	420.08
- Gratuity (Refer note 33(2))	254.88	214.18
Other provisions		
- Provision for lease restoration costs (Refer note 38(3))	3.36	3.11
	695.34	637.37

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

17. Current borrowings

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Loans repayable on demand		
- From banks		
Working capital loans from banks (secured) (Refer note (i) below)	-	381.15
	-	381.15

Notes:

(i) The above loan was secured by way of first charge by way of hypothecation of Company's entire book debts, both present and future, on pari passu basis, carrying an average interest rate upto 6 months LIBOR plus 0.93% p.a. (Previous year : 0.93% p.a.) The loan was repaid during the year.

(ii) Information about the Group's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 28.

18. Trade payables

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Total outstanding dues of micro enterprises and small enterprises (Refer note 34)	4.34	10.51
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note 35)	1,899.39	2,137.77
	1,903.73	2,148.28

Notes:

(i) Trade payables from related parties are disclosed in note 35.

(ii) Information about the Group's exposure to foreign currency risk and liquidity risk is disclosed in note 28.

19. Lease liabilities - current

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Lease liabilities (Refer note 36)	310.62	-
	310.62	-

Note:

(i) Information about the Group's exposure to foreign currency risk, liquidity risk and interest rate risk is disclosed in note 28.

20. Other current financial liabilities

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Other than trade payables :		
Accrued employee costs	1,228.88	1,099.13
Unclaimed dividend	7.98	7.35
Payables in respect of fixed assets	9.85	87.75
Security deposits	2.91	1.70
Forward contracts designated as cash flow hedges	294.35	-
Other payables	387.54	1,958.73
	1,931.51	3,154.66

Note:

(i) Information about the Group's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 28.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

21. Other current liabilities

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Unearned revenue	720.47	446.16
Advances from customers	49.16	39.03
Statutory remittances	420.57	389.26
Lease equilisation reserve	-	12.66
	1,190.20	887.11

22. Provisions - current

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Provision for employee benefits		
- Compensated Absences	137.04	145.78
- Gratuity (Refer note 33(2))	24.01	21.33
- Gratuity fund plan liabilities (Refer note 33(3))	11.65	-
Other provisions		
- Service tax payable (net of tax paid under protest)	-	3.54
- Provision for Onerous contracts	22.04	0.06
- Provision for warranty (Refer note 38(1))	-	3.24
	194.74	173.95

23. Revenue from operations

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Software services (Refer note 32)	32,909.69	25,506.67
	32,909.69	25,506.67

24. Other income

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Interest income	99.43	67.41
Dividend income from current investments	-	52.76
(Profit)/Loss on sale of property, plant and equipment and intangible assets (net)	4.70	-
Gain on sale / redemption of mutual funds	80.54	110.11
Fair value gain on financial assets (investments) at fair value through profit or loss	(16.96)	-
Foreign exchange gain (net) (Refer note (i) below)	231.06	-
Other non operating income (net of expenses directly attributable to such income) (including miscellaneous income)	31.14	30.29
	429.91	260.57

Note:

(i) Includes gains/(losses) (net) on forward contracts designated as cash flow hedges transferred from cash flow hedging reserve ₹ 35.50 million (Previous year - ₹ 15.66 million (Nil pertains to discontinued operations)) (Refer note 28(3)).

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

25. Employee benefits expense

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Salaries, wages and incentives	19,474.76	15,068.57
Contribution to provident fund (Refer note 33(1))	345.28	198.32
Share based compensation to employees (Refer note 39)	96.39	35.33
Staff welfare expenses	58.98	49.71
	19,975.41	15,351.93

26. Finance costs

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Interest on lease liabilities (Refer note 36)	127.58	-
Other Interest expense	33.69	108.43
	161.27	108.43

27. Other expenses

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Travel and overseas expenses (net)	820.13	947.09
Transport and conveyance (net)	370.31	247.81
Cost of service delivery (net)	646.64	241.81
Cost of professional sub-contracting (net)	4,515.98	3,407.26
Recruitment and training expenses	196.93	131.88
Power and fuel	118.26	89.67
Rent (Refer note 36)	80.13	264.75
Repairs and maintenance -		
- buildings	149.77	46.05
- plant and equipment	318.26	128.24
- others	130.96	47.63
Insurance	92.81	89.99
Rates and taxes	54.12	37.41
Communication expenses (net)	180.59	157.20
Legal and professional fees (Refer note 43(b))	544.84	575.90
Marketing expenses	134.09	198.52
Loss on sale of fixed assets(net)	-	0.23
Fair value loss on financial assets (investments) at fair value through profit or loss	-	70.23
Printing & stationery	10.87	11.80
Foreign exchange loss (net) (Refer note 24 (i))	-	25.42

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

27. Other expenses (contd.)

Particulars	31 March 2020 (Refer note 43)	31 March 2019 (Refer note 43)
Auditors remuneration (net of taxes)		
- Audit fees	10.00	11.00
- Limited review of quarterly results	2.50	1.50
- Fees for other services	2.04	1.47
- Out of pocket expenses reimbursed	1.35	0.74
Bad debts written off	281.22	9.99
Provision for doubtful debts and advances (net)	55.68	85.86
Contributions towards corporate social responsibility (Refer note 44(3))	41.75	43.43
Miscellaneous expenses (net)	255.86	217.90
	9,015.09	7,090.78

Note

Certain expenses are net of recoveries/reimbursements from customers.

28 Financial Instruments

28.1 Financial Instruments by category

The carrying value and fair value of financial instruments by categories as on 31 March 2020 are as follows:

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss (FVTPL)		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Financial assets							
Investments	-	-	330.02	-	-	330.02	330.02
Trade receivables	7,401.90	-	-	-	-	7,401.90	7,401.90
Cash and cash equivalents	4,495.65	-	-	-	-	4,495.65	4,495.65
Other balances with banks	1,805.40	-	-	-	-	1,805.40	1,805.40
Loans	168.81	-	-	-	-	168.81	168.81
Unbilled revenue	737.74	-	-	-	-	737.74	737.74
Other financial assets	390.49	-	-	-	-	390.49	390.49
Total financial assets	14,999.99	-	330.02	-	-	15,330.01	15,330.01
Financial liabilities							
Trade payables	1,903.73	-	-	-	-	1,903.73	1,903.73
Lease liabilities	1,450.27	-	-	-	-	1,450.27	1,450.27
Other financial liabilities	1,637.16	-	-	-	294.35	1,931.51	1,931.51
Total financial liabilities	4,991.16	-	-	-	294.35	5,285.51	5,285.51

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The carrying value and fair value of financial instruments by categories as on 31 March 2019 are as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Financial assets							
Investments	-	-	1,908.97	-	-	1,908.97	1,908.97
Trade receivables	7,107.49	-	-	-	-	7,107.49	7,107.49
Cash and cash equivalents	3,616.81	-	-	-	-	3,616.81	3,616.81
Other balances with banks	154.74	-	-	-	-	154.74	154.74
Loans	148.68	-	-	-	-	148.68	148.68
Unbilled revenue	969.91	-	-	-	-	969.91	969.91
Other financial assets	1,939.79	-	46.92	-	35.50	2,022.21	2,022.21
Total financial assets	13,937.42	-	1,955.89	-	35.50	15,928.81	15,928.81
Financial liabilities							
Borrowings	381.15	-	-	-	-	381.15	381.15
Trade payables	2,148.28	-	-	-	-	2,148.28	2,148.28
Other financial liabilities	3,154.66	-	-	-	-	3,154.66	3,154.66
Total financial liabilities	5,684.09	-	-	-	-	5,684.09	5,684.09

28.2 Fair value hierarchy

Financial assets and liabilities include cash and cash equivalents, other balances with banks, trade receivables, loans, unbilled revenue, other financial assets, borrowings, trade payables and other financial liabilities, whose fair values approximate their carrying amounts largely due to the short term nature of such assets and liabilities. Fair value of lease liabilities approximate its carrying amounts, as lease liabilities are valued using the discounted cash flow method.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of financial assets and liabilities as on 31 March 2020:

Particulars	As at 31 March 2020	Fair value measurement as at		
		Level 1	Level 2	Level 3
Investment in equity instruments of other entities	0.00*	-	-	0.00*
Investments in Mutual funds (quoted)	330.02	330.02	-	-
Forward contract designated as cash flow hedge	294.35	-	294.35	-
Lease liabilities	1,450.27	-	1,450.27	-

* Since denominated in ₹ Million

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The following table presents fair value hierarchy of financial assets and liabilities as on 31 March 2019:

Particulars	As at 31 March 2019	Fair value measurement as at		
		Level 1	Level 2	Level 3
Investment in equity instruments of other entities	0.00*	-	-	0.00*
Investments in Mutual funds (quoted)	1,908.97	1,908.97	-	-
Forward contract designated fair value through profit and loss	46.92	-	46.92	-
Forward contract designated as cash flow hedge	35.50	-	35.50	-
Loans	100.34	-	100.34	-
Borrowings	381.15	-	381.15	-

Valuation technique and significant unobservable inputs:

Level 2:

- (i) Derivative financial assets are valued based on inputs that are directly or indirectly observable in the market.
- (ii) Borrowings and lease liabilities are valued using the discounted cash flow method, the expected net cash flows are discounted using the cost of borrowing that are directly or indirectly observable in the market.

Level 3:

Valuation techniques

For valuation of investment in equity instruments, discounted cash flow method is used to capture the present value of expected future economic benefits. Under the discounted cash flow method, the net cash flows expected to be generated are discounted using the weighted average cost of capital.

Significant increase in discount rates and spreads above risk free rate, in isolation would result in lower fair values. A significant increase in volatility in revenue growth rates will result in higher fair value.

28.3 Financial risk management

The board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the Risk Management Committees, which is responsible for developing and monitoring the Group's risk management policies. The Group has exposure to the following risks arising from financial instruments. Further, refer note 42 for evaluation of impact of COVID 19.

a. Credit risk

Credit risk is the risk of financial losses to the Group if a customer or counterparty to financial instruments fails to discharge its contractual obligations and arises primarily from the Group's receivables from customers amounting to ₹ 7,401.90 million and ₹ 7,107.49 million and unbilled revenue amounting to ₹ 737.74 million and ₹ 969.91 million as on 31 March 2020 and 31 March 2019 respectively. To manage this, the Group periodically assesses the key accounts receivable balances. As per Ind-AS 109 : Financial Instruments, the Group uses expected credit loss model to assess the impairment loss or gain.

i. Trade receivables

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Group has a dedicated sales team at each geography which is responsible for collecting dues from the customer within stipulated period. The management reviews status of critical accounts on a regular basis. For the details of the Group's exposure to credit risk by geographic region and revenue generated from top customer, refer note 29A and 29D.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

ii. Impairment

Movement in the allowance for impairment in respect of trade and other receivables for continuing and discontinued operations

Particulars	Carrying amount	
	31 March 2020	31 March 2019
Balance at the beginning of the year	293.90	378.99
Change during the year	(217.66)	165.13
Bad debts written off	281.22	9.99
Addition on account of amalgamation of transferor company	-	12.00
Transferred to resulting company	-	(278.76)
Translation exchange difference	12.13	6.55
Balance as on 31 March 2020	369.59	293.90

Trade receivables that were not impaired

Particulars	Carrying amount	
	31 March 2020	31 March 2019
Neither past due nor impaired	5,198.51	4,969.46
Past due 1- 30 days	1,151.57	1,202.26
Past due 31 - 90 days	421.92	638.42
Past due 91 - 180 days	321.19	238.21
More than 180 days	308.71	59.14

Unbilled revenue is not outstanding for more than 90 days.

iii. Cash and bank balances

The Group held cash and bank balances of ₹ 6,385.79 million and ₹ 3,847.77 million as on 31 March 2020 and 31 March 2019 respectively. The cash and bank balances are held with banks which have high credit ratings assigned by international credit rating agencies.

iv. Guarantees

The Group's policy is to provide financial guarantees only on behalf of subsidiaries. The Group has issued the guarantees to certain banks in respect of credit facilities granted to its subsidiaries.

v. Investment

The Company invest surplus funds in mutual fund schemes. These mutual fund are regulated by Securities and Exchange Board of India(SEBI).

b. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The Group has a view of maintaining liquidity and to take minimum possible risk while making investments. In order to maintain liquidity, the Group invests its excess funds in short term liquid assets like liquid mutual funds. The Group monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

The liquidity position at each reporting date is given below:

Particulars	31 March 2020	31 March 2019
Cash and cash equivalents	4,495.65	3,616.81
Other balances with banks (excluding unclaimed dividend)	1,797.43	147.39
Investments in Mutual funds (quoted) (non-trade)	330.02	1,908.97
Fixed deposits with banks (non-current portion) including interest accrued	84.74	76.22
Total	6,707.84	5,749.39

The following are the remaining contractual maturities of financial liabilities as on 31 March 2020:

Particulars	Less than 1 year	1-2 years	2-4 years	4-5 years	> 5 years	Total
Trade payables	1,903.73	-	-	-	-	1,903.73
Lease liabilities on undiscounted basis	419.47	374.41	564.40	175.33	161.35	1,694.96
Other financial liabilities	1,931.51	-	-	-	-	1,931.51

The following are the remaining contractual maturities of financial liabilities as on 31 March 2019:

Particulars	Less than 1 year	1-2 years	2-4 years	4-5 years	> 5 years	Total
Borrowings	381.15	-	-	-	-	381.15
Trade payables	2,148.28	-	-	-	-	2,148.28
Other financial liabilities	3,154.66	-	-	-	-	3,154.66

c. Market risk

Market risk is a risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

i. Foreign currency risk

Significant portion of the Group's revenues are in foreign currencies, while a significant portion of the costs are in Indian rupee i.e. functional currency of the Group. The foreign currencies to which the Group is majorly exposed to are US Dollars, Euros and Pound Sterling.

The Group evaluates net exchange rate exposure based on current revenue projections and expected volatility in the market and covers its exposure up to 75% on net basis. For this purpose the Group uses foreign currency derivative instruments such as forward covers to mitigate the risk. The counterparty to these derivative instruments is a bank. The Group has designated certain derivative instruments as cash flow hedge to mitigate the foreign exchange exposure of highly probable forecasted cash flows.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Exposure to Currency Risk

The following is the Group's exposure to currency risk from financial instruments as of 31 March 2020 (Amount in ₹ million):

Particulars	US Dollars	Euros	Pound Sterling	Other currencies	Total
Cash and cash equivalents	1,365.05	629.95	117.43	675.22	2,787.65
Trade receivables	1,886.10	677.76	88.70	285.52	2,938.08
Other financial assets (including loan and unbilled revenue)	327.18	116.35	46.93	91.96	582.42
Trade payables	(13.91)	(4.13)	(58.78)	(7.02)	(83.84)
Other financial liabilities	(92.42)	-	(17.32)	(66.49)	(176.23)
Net assets/(liabilities)	3,472.00	1,419.93	176.96	979.19	6,048.08

The following is the Group's exposure to currency risk from financial instruments as of 31 March 2019 (Amount in ₹ million):

Particulars	US Dollars	Euros	Pound Sterling	Other currencies	Total
Cash and cash equivalents	523.20	29.91	24.96	122.42	700.49
Trade receivables	372.93	146.13	5.19	129.34	653.59
Other financial assets (including loan and unbilled revenue)	670.82	691.43	340.33	141.51	1,844.09
Borrowings	(381.15)	-	-	-	(381.15)
Trade payables	(27.98)	(9.60)	(6.18)	(93.31)	(137.07)
Other financial liabilities	(14.46)	(106.74)	(27.84)	(21.54)	(170.58)
Net assets/(liabilities)	1,143.36	751.13	336.46	278.42	2,509.37

The above figures exclude amounts in local currency of foreign subsidiaries.

For the year ended 31 March 2020, every 1% appreciation / depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately 1.54% / (1.54)%.

For the year ended 31 March 2019, every 1% appreciation / depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately (0.82)% / 0.82%.

ii. Derivative assets and liabilities designated as cash flow hedges

In accordance with its risk management policy and business plan the Group has hedged its cash flows. The Group enters into derivative contracts to offset the foreign currency risk arising from the amounts denominated in currencies other than in Indian rupees. The counter party to the Group's foreign currency contracts is a bank. These contracts are entered into to hedge the foreign currency risks of firm commitments (sales orders) and highly probable forecast transactions. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The following are the outstanding GBP/USD/EUR: INR Currency Exchange Contracts entered into by the Group which has been designated as Cash Flow Hedges:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Foreign Currency	₹	Foreign Currency	₹
EUR	5.25	436.01	0.70	54.40
USD	89.30	6,731.96	28.00	1,936.20
GBP	1.10	102.38	0.60	54.42

The forward contracts entered have maturity between 30 days to 11 months from the Balance Sheet date.

The movement in the hedging reserve for derivatives, which have been designated as Cash Flow Hedges, is as follows:

Particulars	31 March 2020	31 March 2019
Balance at the beginning of the year	23.69	(10.24)
Gains/(losses) recognised in other comprehensive income	(294.34)	50.49
Amounts reclassified to statement of profit and loss	(35.50)	15.66
Deferred tax on fair value of effective portion of cash flow hedges	114.66	(22.47)
Transfer on account of demerger	-	(9.75)
Balance at the end of the year	(191.49)	23.69

iii. 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 exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates and bank deposits. The interest rate profile of the Group's interest-bearing financial instruments is as follows:

Particulars	31 March 2020	31 March 2019
Fixed rate instruments		
Financial assets	1,857.37	287.67
Financial liabilities	1,450.27	381.15

A change of 50 basis points in interest rates at the reporting date would have increased or decreased finance costs by ₹ Nil million (Previous year ₹ 1.90 million).

29 Segment Information

Birlasoft Limited (Erstwhile KPIT Technologies Limited) provides software development and IT consulting to its customers predominantly in Banking, Financial Services and Insurance, Life Sciences and Services, Energy Resources and Utilities and Manufacturing (which mainly includes Discrete Manufacturing, Hi-Tech & Media, Auto and Consumer packaged goods). The customers in these verticals are located at US/ Europe/ APAC region. To enable the Group to serve their specific needs, the Group has set up legal entities in the respective geographies. The business is structured in such a way that the predominantly customer front ending and bidding process is carried out by these legal entities.

The Group thus drives business mainly through its subsidiaries. While management reviews performance for above verticals, they also review the risks and rewards in the each geography. The risk and rewards of Group is directly affected by geographical location of its customers (i.e. place where its services are rendered). Decisions such as pricing, allocation of resources,

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

allocation of assets etc. are taken based on opportunities in the respective geography. Since costs are incurred and accounted as per subsidiary set up and manpower skill sets are interchangeable bottom line performance is reviewed with Geography as primary indicator being dominant source of risk and return.

A) Geographical segments

Segment information is based on geographical location of customers.

	31 March 2020				31 March 2019			
	USA	UK & Europe	Rest of World	Total	USA	UK & Europe	Rest of World	Total
a) Segment Revenue (continuing operations)								
Revenue from External customers	26,129.70	3,637.32	9,937.81	39,704.83	19,930.16	2,941.31	8,660.55	31,532.03
Less: Inter Segment Revenue	55.66	103.52	6,635.96	6,795.14	56.75	90.13	5,878.48	6,025.36
Total Segment Revenue	26,074.04	3,533.80	3,301.85	32,909.69	19,873.41	2,851.18	2,782.07	25,506.67
b) Segment Results (continuing operations)	6,841.72	801.63	557.62	8,200.97	4,846.66	763.82	508.99	6,119.47
Unallocated Corporate expenses (Net)				(4,777.09)				(3,413.85)
Interest income				99.43				67.41
Finance Cost				(161.27)				(108.43)
Dividend income				-				52.76
Exceptional Items				-				175.85
Profit before tax from continuing operations				3,362.04				2,893.21
Income Tax				(1,111.64)				(746.68)
Deferred Tax				(6.92)				207.32
Profit/ (Loss) after Tax from continuing operations				2,243.48				2,353.85
c) Allocated Segment Assets	6,678.84	976.96	1,516.94	9,172.74	5,856.32	1,037.88	1,430.12	8,324.32
Unallocated Segment Assets				467.16*				545.95
Unallocated Corporate Assets				17,233.42				16,105.55
Total Assets				26,873.32				24,975.82
d) Allocated Segment Liabilities	425.77	289.58	54.27	769.62	306.68	107.78	70.73	485.19
Unallocated Segment Liabilities				7,179.47*				6,974.03
Unallocated Corporate Liabilities				-				381.15
Total Liabilities				7,949.09				7,840.37
e) Cost incurred during the period to acquire Segment Non-current Assets	-	-	-	-#	-	-	-	-
f) Depreciation / Amortisation				825.79#				498.74
g) Non cash expenses other than Depreciation / Amortisation				-#				-

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

B) Business segments

	31 March 2020					31 March 2019				
	IES	SAP	DT	Others	Total	IES	SAP	DT	Others	Total
a) Segment Revenue	12,066.81	5,686.12	8,708.89	6,447.87	32,909.69	11,908.20	6,755.94	5,055.54	1,786.99	25,506.67
b) Segment Assets*	-	-	-	-	9,639.90	-	-	-	-	8,870.27

* Segment assets other than trade receivables and unbilled revenue, and segment liabilities other than unearned revenue and advance to customers used in the Company's business are not identified to any reportable segments, as these are used interchangeably between segments.

The cost incurred during the year to acquire Segment fixed assets, Depreciation / Amortisation and non-cash expenses are not attributable to any reportable segment.

C) India Segment Revenue

Total segment revenue of Rest of the World includes revenue from external customers attributable to India amounting to ₹ 2,608.77 million (Previous year ₹ 2,086.77 million)

D) Major customer

No single customer (Previous Year : One Customer, Revenue ₹ 2,764.46 million) represents 10% or more of the Group's total revenue for the year ended March 31, 2020.

30 Disclosure relating to entities considered in the consolidated financial statements

Sr. No.	Name of entity	Net assets i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		As % of consolidated net assets	Amount	As % of consolidated profit or (loss)	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
A	Parent Company:								
	Birlasoft Limited (Erstwhile KPIT Technologies Limited)	64.02%	12,115.72	62.74%	1,407.53	-55.51%	(242.52)	43.46%	1,165.01
	(A)		12,115.72		1,407.53		(242.52)		1,165.01
B	Subsidiaries:								
I	Foreign subsidiaries:								
1	Birlasoft Solutions Inc. (Erstwhile KPIT Infosystems Incorporated, USA)	25.59%	4,843.59	14.04%	314.96	5.65%	24.68	12.67%	339.64
2	Birlasoft Solutions France (Erstwhile KPIT Technologies France SAS)	1.40%	265.41	1.65%	37.05	0.70%	3.08	1.50%	40.13
3	Birlasoft Computer Corporation, USA (Erstwhile SYSTIME Computer Corporation, USA)	5.35%	1,011.98	-0.82%	(18.35)	-0.16%	(0.70)	-0.71%	(19.05)
4	Birlasoft Solutions ME FZE (Erstwhile KPIT Infosystems ME FZE.)	0.95%	179.13	-2.68%	(60.21)	-0.78%	(3.41)	-2.37%	(63.62)

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

30 Disclosure relating to entities considered in the consolidated financial statements (Contd.)

Sr. No.	Name of entity	Net assets i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		As % of consolidated net assets	Amount	As % of consolidated profit or (loss)	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
5	Birlasoft Solutions Ltda (Erstwhile KPIT TECHNOLOGIES SOLUÇÕES EM INFORMÁTICA LTDA.) (Subsidiary of Birlasoft Solutions Inc.)	0.14%	26.41	1.32%	29.54	-1.13%	(4.93)	0.92%	24.61
6	Birlasoft Consulting Inc. (Erstwhile Sparta Consulting Inc.) (Subsidiary of Birlasoft Solutions Inc.)	2.54%	480.78	-8.43%	(189.05)	-1.98%	(8.63)	-7.38%	(197.68)
7	Birlasoft Solutions Mexico, S.A. DE C.V. (Erstwhile KPIT Infosystems Mexico, S.A. DE) (Subsidiary of Birlasoft Solutions Inc.)	-0.01%	(2.18)	-0.10%	(2.18)	0.00%	-	-0.08%	(2.18)
8	Birlasoft Technologies Canada Corporation (Erstwhile KPIT Technologies Corporation) (Subsidiary of Birlasoft Computer Corporation, USA)	4.39%	831.47	4.50%	100.86	1.36%	5.93	3.98%	106.79
9	Birlasoft Solutions GmbH (Erstwhile KPIT Solutions GmbH) (Subsidiary of Birlasoft Solutions Limited)	-0.05%	(9.16)	-1.41%	(31.63)	-0.65%	(2.86)	-1.29%	(34.49)
10	Birlasoft Solutions Limited (Erstwhile KPIT Infosystems Limited)	0.16%	30.22	-2.02%	(45.21)	-0.28%	(1.21)	-1.73%	(46.42)
11	Birlasoft Inc.	15.27%	2,889.45	25.71%	576.87	8.94%	39.07	22.98%	615.94
12	Enable Path LLC	-1.18%	(223.93)	-0.01%	(0.17)	-0.44%	(1.94)	-0.08%	(2.11)
13	Birlasoft (UK) Limited	1.20%	226.77	1.01%	22.77	0.39%	1.69	0.91%	24.46
14	Birlasoft GmbH	-0.01%	(0.96)	-0.01%	(0.20)	0.00%	(0.02)	-0.01%	(0.22)
15	Birlasoft Sdn Bhd	0.12%	22.24	0.00%	(0.06)	0.00%	(0.01)	0.00%	(0.07)
	(B)		10,571.22		734.99		50.74		785.73
C	Consolidation adjustments including intercompany eliminations	-19.88%	(3,762.71)	4.50%	100.96	143.89%	628.70	27.22%	729.66
D	Total (A+B+C)		18,924.23		2,243.48		436.92		2,680.40

31 Other equity

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

i) Capital reserve

Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.

ii) Capital redemption reserve

Represents the nominal amount of the preference share capital on redemption of 400,000, 0.01% cumulative redeemable preference shares.

iii) Amalgamation reserve

Represents the amount credited on account of cancellation of stock options issued pursuant to the scheme of amalgamation and acquisition.

iv) Securities premium reserve

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

v) Share based payment reserve

The Group has established various equity-settled share based payment plans for certain categories of employees of the Group. Refer note 39 for further details.

vi) General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

32 Disclosures as per Ind AS 115 -Revenue from Contract with Customers

a. Disaggregation of revenue from contracts with customers

For disaggregation of the Group's revenue from contracts with customers, refer note 29 - Segment Information.

b. Trade receivables and Contract balances:

Particulars	31 March 2020	31 March 2019
Trade Receivables	7,401.90	7,107.49
Contract asset (including unbilled revenue)	1,770.84	1,216.84
Unearned Revenue	720.47	446.16

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue for time and material contracts are recognized as related services are performed. Revenue for fixed price maintenance and support services contracts is recognized on a straight line basis over the period of the contract. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Revenue recognition for fixed price contracts (other than fixed price maintenance and support services contracts) is based on the Percentage of completion method. ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

Trade receivables are non-interest bearing and generally have a credit period of 45-60 days.

Changes in contract asset (including Unbilled Revenue)	31 March 2020	31 March 2019
Balance at the beginning of the year	1,216.84	1,151.15
Transfer on account of demerger (Refer note 43)	-	882.73
Transfer on account of merger (Refer note 43)	-	424.21
Revenue recognised net of invoices raised during the year	554.00	524.21
Balance at the end of the year	1,770.84	1,216.84

The unearned revenue primarily relate to the advance consideration received on contracts entered with customers for which no work is performed at the reporting date, and therefore revenue will be recognized when rights become unconditional.

Changes in unearned revenue	31 March 2020	31 March 2019
Balance at the beginning of the year	446.16	850.10
Transfer on account of demerger (Refer note 43)	-	413.84
Transfer on account of merger (Refer note 43)	-	159.88
Revenue recognised net of unearned revenue for the year	(274.31)	(149.98)
Balance at the end of the year	720.47	446.16

Revenue recognised during the year from:	31 March 2020	31 March 2019
Amounts included in unearned revenue at the beginning of the period (net of transfer to resulting entity)	274.31	149.98
Performance obligations satisfied in previous periods	-	-

d. Performance Obligation

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially) satisfied performance obligations, along with the broad time band for the expected time to recognise those revenues, the Group has applied the practical expedient in Ind AS 115. Accordingly, the Group has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc.).

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

March are, as follows:

Particulars	31 March 2020	31 March 2019
Within one year	3,410.59	1,343.57
More than one year	14,793.84	165.90

The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is amortized on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates.

Particulars	31 March 2020	31 March 2019
Opening Balance	-	-
Cost incurred during the year qualifying as contract fulfillment cost	123.60	-
Amortized in the reporting period	26.88	-
Closing balance	96.72	-

Further, refer note 42 for evaluation of impact of COVID 19.

33 Details of employee benefits as required by Ind-AS 19 - "Employee benefits" are as under :

1 Defined contribution plan - Provident fund

Amount recognized as an expense in the Statement of Profit and Loss in respect of defined contribution plan is ₹ 345.28 million (₹ Nil million pertains to discontinued operations (Refer note 43)) (Previous Year ₹ 304.18 million) (₹ 105.86 million pertains to discontinued operations).

2 Defined benefit plan

i) Actuarial gains and losses in respect of defined benefit plans are recognized in Other Comprehensive Income.

ii) Defined benefit plan - unfunded

This defined benefit plan comprises gratuity, which is unfunded.

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Gratuity is a benefit to an employee in India based on 15 days of last drawn salary for each completed year of service with a vesting period of 5 years.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows :

Particulars	31 March 2020	31 March 2019
Present value of defined benefit obligation at the beginning of the year	235.51	370.99
Current service cost	34.96	48.30
Interest cost	17.62	24.72
Past service cost	-	-
Liability transferred out/Divestments	(3.95)	(199.80)
Actuarial loss / (Gain) recognised in other comprehensive income		
a) changes in demographic assumptions	-	-
b) changes in financial assumptions	18.52	3.52
c) experience adjustments	21.16	27.32
Benefits paid	(44.93)	(39.54)
Present value of defined benefit obligation at the end of the year	278.89	235.51

Analysis of defined benefit obligation	31 March 2020	31 March 2019
Present value of obligation as at the end of the year	278.89	235.51
Net (asset) / liability recognized in the Balance Sheet	278.89	235.51

Components of employer expenses/remeasurement recognized in the Statement of Profit and Loss	31 March 2020	31 March 2019
Current service cost	34.96	48.30
Interest cost	17.62	24.72
Expenses recognized in the Statement of Profit and Loss	52.58	73.02

Components of employer expenses/remeasurement recognized in the Other Comprehensive Income (OCI)	31 March 2020	31 March 2019
Actuarial loss / (gain)	39.68	30.84
Net (income) / expense recognized in the OCI	39.68	30.84

Actuarial assumptions:	31 March 2020	31 March 2019
For Birlasoft Limited (Erstwhile KPIT Technologies Limited)		
Discount rate	6.59%	7.48%
Salary escalation	5.00%	5.00%
Attrition Rate		
- 2 years and below	25.00%	25.00%
- 3 years to 4 years	20.00%	20.00%
- 5 years and above	7.50%	7.50%

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

- The discount rate is based on prevailing yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.
- Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
- Assumptions regarding future mortality rates are the rates as given under Indian Assured Lives Mortality (2006-08) Ultimate.

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Projected benefit obligation on current assumptions	31 March 2020		31 March 2019	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (1 % movement)	(20.66)	23.83	(16.60)	19.05
Future salary growth (1 % movement)	23.97	(21.14)	19.35	(17.11)
Attrition rate (1 % movement)	1.68	(2.04)	2.78	(3.24)

Maturity profile of defined benefit plan

Projected benefits payable in future years from the date of reporting	31 March 2020	31 March 2019
Within 1 year	24.01	21.33
1-2 year	21.63	20.92
2-3 year	22.45	20.75
3-4 year	23.11	20.47
4-5 year	23.54	20.72
5-10 years	114.67	103.47
Thereafter	305.95	278.96

Weighted average assumptions used to determine net periodic benefit cost

Particulars	31 March 2020	31 March 2019
For Birlasoft Limited (Erstwhile KPIT Technologies Limited)		
Number of active members	6,342	6,095
Per month salary cost for all active members (₹ million)	145.15	125.24
Weighted average duration of the projected benefit obligation (years)	9.00	9.00
Average expected future service (years)	7.00	7.00
Projected benefit obligation (PBO)	278.89	235.51

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

3) Defined benefit plan - Funded

This defined benefit plans pertained to Birlasoft (India) Limited. This was transferred from Transferor Company as a part of the Composite Scheme of arrangement. This comprises gratuity, which is fully funded.

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Gratuity is a benefit to an employee in India based on 15 days of last drawn salary for each completed year of service with a vesting period of 5 years.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk.

Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows :

	31 March 2020	31 March 2019
Present value of defined benefit obligation at the beginning of the year	173.99	-
Addition on account of amalgamation of the transferor company	-	185.62
Current service cost	29.53	6.74
Interest cost	12.20	3.47
Past service cost	-	-
Liability transferred out/Divestments	-	-
Actuarial loss / (gain) recognised in other comprehensive income	-	-
a) changes in demographic assumptions	(0.05)	(3.96)
b) changes in financial assumptions	23.05	(10.18)
c) experience adjustments	(23.42)	(3.57)
Benefits paid	(15.34)	(4.13)
Present value of defined benefit obligation at the end of the year	199.96	173.99

Changes in the plan assets representing reconciliation of opening and closing balances thereof are as follows :

Particulars	31 March 2020	31 March 2019
Fair value of plan assets at the beginning of the year	186.21	-
Addition on account of amalgamation of the transferor company	-	186.06
Actual return on plan assets	10.71	3.58
Fund Charges	(0.68)	(0.22)
Employer contribution	8.10	-
Benefits paid	(16.03)	(4.13)
Bank Balance in Gratuity Trust Bank account	-	0.92
Fair value of plan assets at the end of the year	188.31	186.21

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Analysis of defined benefit obligation	31 March 2020	31 March 2019
Present value of obligation as at the end of the year	199.96	173.99
Fair value of plan assets	188.31	186.21
Net (asset) / liability recognized in the Balance Sheet	11.65	(12.22)

Components of employer expenses/remeasurement recognized in the Statement of Profit and Loss	31 March 2020	31 March 2019
Current service cost	29.53	6.74
Interest cost (net)	1.49	(0.11)
Expenses recognized in the Statement of Profit and Loss	31.02	6.63

Components of employer expenses/remeasurement recognized in the Other Comprehensive Income (OCI)	31 March 2020	31 March 2019
Actuarial loss / (gain)	(0.42)	(17.71)
Actuarial loss / (gain) for the year on assets	2.76	0.11
Net (income) / expense recognized in the OCI	2.34	(17.60)

Actuarial assumptions:	31 March 2020	31 March 2019
Discount rate	5.57%	7.18%
Salary escalation	5.00%	5.00%
Attrition Rate		
- 2 years and below	25.00%	25.00%
- 3 years to 4 years	20.00%	20.00%
- 5 years and above	7.50%	7.50%

- The discount rate is based on prevailing yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.
- Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
- Assumptions regarding future mortality rates are the rates as given under Indian Assured Lives Mortality (2006-08) Ultimate.

Major categories of plan assets (as percentage of total plan assets)

Actuarial assumptions:	31 March 2020	31 March 2019
Funds managed by insurer	100%	100%

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Expected contribution for the next Annual reporting period.

Particulars	31 March 2020	31 March 2019
Service cost	39.51	38.15
Net interest cost	0.65	(0.05)
Expected expense for the next annual reporting period	40.16	38.10

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Projected benefit obligation on current assumptions	31 March 2020		31 March 2019	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (1 % movement)	(15.44)	16.50	(6.46)	6.90
Future salary growth (1 % movement)	15.83	(15.20)	6.74	(6.44)
Demographic Assumptions (1 % movement)	1.65	(2.03)	-	-

Sensitivities due to mortality & withdrawals are not material and hence impact of change due to these is not calculated.

Maturity profile of defined benefit plan

Projected benefits payable in future years from the date of reporting	31 March 2020	31 March 2019
Within 1 year	13.37	12.96
1-2 year	30.50	2.66
2-3 year	26.38	2.93
3-4 year	22.26	2.85
4-5 year	18.53	2.85
5-6 year	15.63	4.56
Thereafter	73.30	145.18

Weighted average assumptions used to determine net periodic benefit cost

Particulars	31 March 2020	31 March 2019
For Birlasoft Limited (Erstwhile KPIT Technologies Limited)		
Number of active members	2,626	2,526
Per month salary cost for all active members (₹ million)	103.21	91.71
Weighted average duration of the projected benefit obligation (years)	5.47	3.79
Average expected future service (years)	26.59	27.26
Projected benefit obligation (PBO)	199.96	173.99

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

34 Disclosure as per the requirement of section 22 of the Micro, Small and Medium Enterprise Development Act, 2006:

- Principal amount payable to Micro and Small Enterprises (to the extent identified by the Group from available information) as at 31 March 2020 is ₹ 4.34 million (Previous year - ₹ 10.51 million). Estimated interest* due thereon is ₹ 0.36 million (Previous year - ₹ 0.53 million).
- Amount of payments made to suppliers beyond the appointed date during the year is ₹ 47.99 million (Previous year - ₹ 25.29 million). Interest paid thereon is ₹ Nil (Previous year - ₹ Nil) and the estimated interest* due and payable thereon is ₹ 2.06 million (Previous year - ₹ 0.65 million).
- The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 is ₹ Nil.
- The amount of estimated interest accrued and remaining unpaid as at 31 March 2020 is ₹ 2.42 million (Previous year - ₹ 1.33 million).
- The amount of further estimated interest due and payable for the period from 1 April 2019 to actual date of payment or 20 April 2020 (whichever is earlier) is ₹ Nil.

*The interest is not accrued.

35 Related party disclosures

A. Relationship between the parent and its subsidiaries

% voting power held

Sr. No	Name of the subsidiary	Country of Incorporation	As at 31 March 2020	As at 31 March 2019
Direct subsidiaries				
1	Birlasoft Solutions Inc. USA (erstwhile KPIT Infosystems Incorporated, USA)	United States of America	100	100
2	Birlasoft Solutions France (erstwhile KPIT Technologies France SAS)	France	100	100
3	Birlasoft Computer Corporation, USA (erstwhile SYSTIME Computer Corporation, USA)	United States of America	100	100
4	Birlasoft Solutions ME FZE (erstwhile KPIT Infosystems ME FZE.)	United Arab Emirates	100	100
5	Birlasoft Solutions Limited (erstwhile KPIT Infosystems Limited) (w.e.f. 18 April 2018)	United Kingdom	100	100
6	Birlasoft Sdn Bhd (w.e.f. 01 January 2019)	Malaysia	100	100
7	Birlasoft Inc. (w.e.f. 01 January 2019)	United States of America	100	100
8	KPIT Technologies (UK) Limited (upto 01 January 2019)	United Kingdom	N.A.	N.A.
9	KPIT (Shanghai) Software Technology Co. Limited, China (upto 01 January 2019)	China	N.A.	N.A.
10	KPIT Technologies Netherlands B.V (upto 01 January 2019)	Netherlands	N.A.	N.A.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Sr. No	Name of the subsidiary	Country of Incorporation	% voting power held	
			As at 31 March 2020	As at 31 March 2019
11	Impact Automotive Solutions Limited (upto 01 January 2019)	India	N.A.	N.A.
12	KPIT Technologies Limited (Erstwhile KPIT Engineering Limited) (upto 01 January 2019)	India	N.A.	N.A.
13	KPIT Technologies GK , Japan (w.e.f. 02 April 2018 and upto 01 January 2019)	Japan	N.A.	N.A.
Indirect subsidiaries				
14	Birlasoft Solutions Ltda (erstwhile KPIT TECHNOLOGIES SOLUÇÕES EM INFORMÁTICA LTDA.) (Subsidiary of Birlasoft Solutions Inc.)	Brazil	100	100
15	Birlasoft Consulting Inc. (erstwhile Sparta Consulting Inc.) (Subsidiary of Birlasoft Solutions Inc.)	United States of America	100	100
16	Birlasoft Solutions Mexico, S.A. DE C.V. (erstwhile KPIT Infosystems Mexico, S.A. DE) (Subsidiary of Birlasoft Solutions Inc.) (w.e.f. 25 October 2018)	Mexico	100	100
17	Birlasoft Technologies Canada Corporation (erstwhile KPIT Technologies Corporation) (Subsidiary of Birlasoft Computer Corporation, USA)	Canada	100	100
18	Birlasoft Solutions GmbH (erstwhile KPIT Solutions GmbH) (Subsidiary of KPIT Technologies GmbH, Germany) (upto 23 November 2018)	Germany	N.A.	N.A.
19	Birlasoft Solutions GmbH (erstwhile KPIT Solutions GmbH) (Subsidiary of Birlasoft Solutions Limited) (w.e.f. 23 November 2018)	Germany	100	100
20	Enable Path LLC (Subsidiary of Birlasoft Inc.) (w.e.f. 01 January 2019)	United States of America	100	100
21	Birlasoft (UK) Limited (Subsidiary of Birlasoft Inc.) (w.e.f. 01 January 2019)	United Kingdom	100	100
22	Birlasoft GmbH (Subsidiary of Birlasoft (UK) Limited) (w.e.f. 01 January 2019)	Germany	100	100
23	KPIT Technologies GmbH, Germany (Subsidiary of KPIT Technologies (UK) Limited) (upto 01 January 2019)	Germany	N.A.	N.A.
24	MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil (Subsidiary of KPIT Technologies Limited) (upto 01 January 2019)	Brazil	N.A.	N.A.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

% voting power held

Sr. No	Name of the subsidiary	Country of Incorporation	As at 31 March 2020	As at 31 March 2019
25	MicroFuzzy Industrie-Elektronik GmbH (Subsidiary of KPIT Technologies GmbH, Germany) (upto 01 January 2019)	Germany	N.A.	N.A.
26	KPIT Technologies PTE Limited (Subsidiary of KPIT Technologies Limited) (upto 01 January 2019)	Singapore	N.A.	N.A.
27	KPIT Technologies Inc (US) (Subsidiary of KPIT Technologies Holding Inc (US)) (upto 01 January 2019)	United States of America	N.A.	N.A.
28	KPIT Technologies Holding Inc (US) (Subsidiary of KPIT Technologies Limited) (upto 01 January 2019)	United States of America	N.A.	N.A.
Entities jointly controlled by a group having joint control over the reporting entities*				
29	KPIT Technologies (UK) Limited (w.e.f. 01 January 2019 upto 31 January 2020)	United Kingdom	N.A.	N.A.
30	KPIT (Shanghai) Software Technology Co. Limited, China (w.e.f. 01 January 2019 upto 31 January 2020)	China	N.A.	N.A.
31	KPIT Technologies Netherlands B.V (w.e.f. 01 January 2019 upto 31 January 2020)	Netherlands	N.A.	N.A.
32	Impact Automotive Solutions Limited (w.e.f. 01 January 2019 upto 31 January 2020)	India	N.A.	N.A.
33	KPIT Technologies Limited (Erstwhile KPIT Engineering Limited) (w.e.f. 01 January 2019 upto 31 January 2020)	India	N.A.	N.A.
34	KPIT Technologies GmbH, Germany (w.e.f. 01 January 2019 upto 31 January 2020)	Germany	N.A.	N.A.
35	MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil (w.e.f. 01 January 2019 upto 31 January 2020)	Brazil	N.A.	N.A.
36	MicroFuzzy Industrie-Elektronik GmbH (w.e.f. 01 January 2019 upto 31 January 2020)	Germany	N.A.	N.A.
37	KPIT Technologies PTE Limited (w.e.f. 01 January 2019 upto 31 January 2020)	Singapore	N.A.	N.A.
38	KPIT Technologies GK , Japan (w.e.f. 01 January 2019 upto 31 January 2020)	Japan	N.A.	N.A.
39	KPIT Technologies Holding Inc, USA (w.e.f. 01 January 2019 upto 31 January 2020)	United States of America	N.A.	N.A.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Sr. No	Name of the subsidiary	Country of Incorporation	% voting power held	
			As at 31 March 2020	As at 31 March 2019
40	KPIT Technologies Inc (US) (w.e.f. 01 January 2019 upto 31 January 2020)	United States of America	N.A.	N.A.
41	Yantra Digital Services Private Limited (Joint venture of Impact Automotive Solutions Limited w.e.f. 01 January 2019 upto 31 January 2020)	India	N.A.	N.A.
Joint venture				
42	Yantra Digital Services Private Limited (Joint venture of Impact Automotive Solutions Limited upto 01 January 2019 upto 31 January 2020)	India	N.A.	N.A.
Enterprise having joint control over entity				
43	National Engineering Industries Limited (w.e.f. 15 January 2019 upto 31 January 2020)	India	N.A.	N.A.
44	Central India Industries Limited (w.e.f. 15 January 2019 upto 31 January 2020)	India	N.A.	N.A.
45	Proficient FinStock LLP (w.e.f. 15 January 2019 upto 31 January 2020)	India	N.A.	N.A.
Enterprise having significant influence over the entity				
46	National Engineering Industries Limited (w.e.f. 01 February 2020)	India	N.A.	N.A.
Public Company in which a director is a director and holds along with his relatives, >2% of its paid-up share capital				
47	Orient Cement Limited	India	N.A.	N.A.
48	Orient Electric Limited	India	N.A.	N.A.

* As a part of Composite Scheme, these entities were transferred to the Resulting Company on appointed date. As on 31 March 2019, these entities are related party due to Joint Control.

As per the agreement between the parties, consequent to the National Company Law Tribunal (NCLT) approved composite scheme, the joint control between the Transferee Company i.e. Birlasoft Limited (erstwhile KPIT Technologies Limited) and the Resulting Company i.e. KPIT Technologies Limited (erstwhile KPIT Engineering Limited) has concluded effective February 1, 2020.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

B. List of Key Management Personnel

Key Management Personnel ('KMP')	Ms. Amita Birla (w.e.f. 15 January 2019)	Chairperson and Non-Executive Director
	Mr. C. K. Birla (w.e.f. 15 January 2019)	Non-Executive Director
	Mr. Anant Talaulicar	Independent Director
	Ms. Alka Bharucha (w.e.f. 23 May 2018)	Independent Director
	Mr. Ashok Barat (w.e.f. 15 January 2019)	Independent Director
	Ms. Nandita Gurjar (w.e.f. 15 January 2019)	Independent Director
	Mr. Prasad Thrikutam (w.e.f. 15 January 2019)	Independent Director
	Mr. Anjan Lahiri	1. Nominee Director (w.e.f. 23 May 2018 upto 15 January 2019) 2. Managing Director & Chief Executive Officer (w.e.f. January 16, 2019 upto 31 May 2019)
	Mr. Dharmander Kapoor (w.e.f. 01 June 2019)	Chief Executive Officer & Managing Director
	Mr. Pawan Sharma (w.e.f. 15 January ,2019 upto 31 May 2019)	Executive Director
	Mr. Sachin Tikekar(upto 15 January 2019)	1. Executive Director (upto 15 January 2019) 2. Nominee Director (w.e.f. 01 June 2019 upto 01 February 2020)"
	Mr. Rajeev Gupta (w.e.f. 16 January 2019 upto 31 March 2020)	Chief Financial Officer
	Ms. Sneha Padve	Company Secretary
	Mr. S.B.(Ravi) Pandit (upto 15 January 2019)	Executive Director
	Mr. Kishor Patil (upto 15 January 2019)	Executive Director
	Ms. Lila Poonawalla (upto 15 January 2019)	Independent Director
	Prof. Alberto Sangiovanni Vincentelli (upto 15 January 2019)	Independent Director
	Mr. Adi Engineer (upto 15 January 2019)	Independent Director
	Mr. B V R Subbu (upto 15 January 2019)	Non- executive Director
	Mr. Anil Patwardhan (upto 23 May 2018)	Chief Financial Officer
Mr. Vinit Teredesai (appointed w.e.f. 24 May 2018 upto 15 January 2019)	Chief Financial Officer	
Dr. Klaus Blickle (w.e.f. 24 January 2018 upto 15 January 2019)	Non- executive Director	
Mr. Nikhil Jakatdar (w.e.f. 24 January 2018)	Independent Director	

C. List of other related parties with whom there are transactions

Relative of KMP	Mr. Chinmay Pandit (upto 15 January 2019)
	Ms. Jayada Pandit (upto 15 January 2019)
	Mr. Shreyas Patwardhan (upto 23 May 2018)
Enterprise over which KMP have significant influence	KP Corporate Solutions Ltd. (upto 15 January 2019)
	Proficient FinStock LLP (upto 15 January 2019)
	Kirtane & Pandit LLP (upto 15 January 2019)
Others	CK Birla Corporate Services Limited** (w.e.f. 15 January 2019)

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Sr. No.	Nature of transaction	31 March 2020 Amount of transactions during the period	31 March 2019 Amount of transactions during the period
Transactions with entities jointly controlled by a group having joint control over the reporting entities			
1	Sales/(Reversal)***		
	KPIT Technologies GmbH, Germany	160.50	88.45
	KPIT Technologies (UK) Limited	72.12	54.14
	KPIT Technologies (UK) Limited (Sweden Branch)	(3.42)	3.42
	KPIT Technologies Limited GK	7.02	12.05
	KPIT (Shanghai) Software Technology Co. Limited	6.36	0.26
	KPIT Technologies Netherlands B.V.	(9.95)	25.90
	KPIT Technologies Inc.	(11.53)	88.80
	KPIT Technologies PTE Limited	NIL	1.28
	KPIT Technologies Limited	2.08	(0.25)
2	Software service charges		
	KPIT Technologies Limited	22.26	209.56
	KPIT Technologies (UK) Limited	NIL	12.27
	KPIT Technologies (UK) Limited (Sweden Branch)	NIL	2.45
	KPIT Technologies Limited GK, Japan	NIL	11.08
	KPIT (Shanghai) Software Technology Co. Limited	NIL	4.18
	KPIT Technologies Netherlands B.V.	NIL	10.70
	KPIT Technologies Inc.	224.33	NIL
	KPIT Technologies PTE Limited	1.00	NIL
3	Advance (Net)		
	KPIT Technologies Limited	(43.48)	1,939.04
	KPIT Technologies (UK) Limited	22.52	165.84
	KPIT Technologies (UK) Limited (Sweden Branch)	3.17	25.03
	KPIT Technologies Limited GK, Japan	0.13	(2.17)
	KPIT (Shanghai) Software Technology Co. Limited	0.43	NIL
	KPIT Technologies Inc.	(361.56)	(1,377.02)
4	Reimbursement of Expenses (Net)		
	KPIT Technologies Inc.	327.58	95.98
	KPIT Technologies Limited	(136.86)	414.90
	KPIT Technologies (UK) Limited	(1.58)	(9.49)
	KPIT Technologies (UK) Limited (Sweden Branch)	(9.44)	(3.53)
	KPIT (Shanghai) Software Technology Co. Limited	(6.64)	NIL
	KPIT Technologies GmbH, Germany	(17.14)	NIL

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Sr. No.	Nature of transaction	31 March 2020 Amount of transactions during the period	31 March 2019 Amount of transactions during the period
	KPIT Technologies Limited GK, Japan	(14.06)	NIL
	KPIT Technologies Netherlands B.V.	(7.96)	NIL
	MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil	6.76	NIL
	KPIT Technologies PTE Limited	(1.07)	NIL
5	Loan granted		
	KPIT Technologies Limited (Erstwhile KPIT Engineering Limited)	NA	1,300.00
6	Loan repaid		
	KPIT Technologies Limited (Erstwhile KPIT Engineering Limited)	NA	1,300.00
7	Interest income		
	KPIT Technologies Limited (Erstwhile KPIT Engineering Limited)	NA	48.51
8	Other equity transaction		
	Investment in equity of MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil transferred by Birlasoft Computer Corporation, USA to KPIT Technologies Limited	NA	1743
	Investment in equity of Birlasoft Solutions GmbH (erstwhile KPIT Solutions GmbH) transferred to Birlasoft Solutions Limited (erstwhile KPIT Infosystems Limited(UK)) by KPIT Technologies GmbH, Germany	NA	718.02
	Transfer of IT Business to Birlasoft Solutions Limited (erstwhile KPIT Infosystems Limited) from KPIT Technologies (UK) Limited	NA	185.94
	Investment in equity of MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil transferred by Birlasoft Technologies Canada Corporation to KPIT Technologies Holding Inc	NA	0.02
	Investment in equity of KPIT Technologies Inc. transferred by Birlasoft Solutions Inc, USA to KPIT Technologies Holding Inc	NA	865.42
9	Outstanding receivable against sales		
	KPIT Technologies Limited	NA	149.97
	KPIT Technologies GmbH	NA	606.67
	KPIT Technologies (UK) Limited	NA	619.83
	KPIT Technologies (UK) Limited (Sweden Branch)	NA	24.16
	KPIT Technologies (UK) Limited (Italy Branch)	NA	4.42
	KPIT Technologies Limited GK	NA	42.81
	KPIT (Shanghai) Software Technology Co. Limited	NA	120.01
	KPIT Technologies Netherlands B.V.	NA	45.85
	KPIT Technologies Inc.	NA	1,644.38
	KPIT Technologies PTE Limited	NA	1.35
	MicroFuzzy Industrie-Elektronik GmbH	NA	51.59
10	Outstanding payable against software service charges		
	KPIT Technologies Limited	NA	(186.43)

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Sr. No.	Nature of transaction	31 March 2020 Amount of transactions during the period	31 March 2019 Amount of transactions during the period
	KPIT Technologies GmbH	NA	(64.57)
	KPIT Technologies (UK) Limited	NA	(167.55)
	KPIT Technologies (UK) Limited (Sweden Branch)	NA	(32.90)
	KPIT Technologies Limited GK	NA	(12.68)
	KPIT (Shanghai) Software Technology Co. Limited	NA	(14.20)
	KPIT Technologies Netherlands B.V.	NA	(20.64)
	KPIT Technologies Inc.	NA	(234.32)
	MicroFuzzy Industrie-Elektronik GmbH	NA	(11.56)
11	Outstanding balance against advances		
	KPIT Technologies Limited	NA	(1,542.97)
	KPIT Technologies GmbH	NA	(0.74)
	KPIT Technologies (UK) Limited	NA	157.06
	KPIT Technologies (UK) Limited (Sweden Branch)	NA	93.51
	KPIT Technologies Limited GK	NA	(2.17)
	KPIT Technologies Netherlands B.V.	NA	(0.07)
	KPIT Technologies Inc.	NA	(1,363.05)
	Transactions with KMP		
1	Short term employee benefits		
	Mr. Dharmander Kapoor	30.04	NIL
	Mr. Pawan Sharma	16.37	7.83
	Mr. Anjan Lahiri	8.27	24.01
	Mr. Rajeev Gupta	23.94	4.10
	Ms. Sneha Padve	5.88	4.93
	Mr. S. B. (Ravi) Pandit	NA	42.37
	Mr. Kishor Patil	NA	36.97
	Mr. Sachin Tikekar	NIL	33.62
	Mr. Anil Patwardhan	NA	3.54
	Mr. Vinit Teredesai	NA	6.34
2	Post employment benefit plans		
	Mr. Dharmander Kapoor	1.82	NIL
	Mr. Pawan Sharma	6.74	0.14
	Mr. Anjan Lahiri	1.35	0.25
	Mr. Rajeev Gupta	0.99	0.15
	Ms. Sneha Padve	0.15	0.14
	Mr. S. B. (Ravi) Pandit	NA	1.09
	Mr. Kishor Patil	NA	0.87
	Mr. Sachin Tikekar	NIL	0.31

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Sr. No.	Nature of transaction	31 March 2020 Amount of transactions during the period	31 March 2019 Amount of transactions during the period
	Mr. Anil Patwardhan	NA	1.64
	Mr. Vinit Teredesai	NA	0.16
3	Perquisite Value		
	Mr. Dharmander Kapoor	21.91	NIL
	Mr. Anjan Lahiri	163.09	NIL
	Mr. Kishor Patil	NA	0.34
4	Reimbursement of expenses (net)		
	Mr. Dharmander Kapoor	0.75	NIL
	Ms. Alka Bharucha	0.17	NIL
	Mr. Ashok Barat	0.06	NIL
	Mr. Prasad Thrikutam	0.93	NIL
	Mr. Pawan Sharma	NIL	0.00
	Mr. Rajeev Gupta	0.44	NIL
	Ms. Sneha Padve	0.14	0.11
	Mr. S. B. (Ravi) Pandit	NA	0.32
	Mr. Kishor Patil	NA	0.55
	Mr. Sachin Tikekar	NIL	0.24
	Mr. Vinit Teredesai	NA	0.13
5	Commission paid		
	Ms. Amita Birla	0.60	NIL
	Mr. Chandrakant Birla	0.60	NIL
	Ms. Alka Bharucha	0.60	NIL
	Mr. Ashok Barat	0.60	NIL
	Dr. Raghunath Anant Mashelkar	NA	0.85
	Ms. Lila Poonawalla	NA	2.52
	Prof. Alberto Sangiovanni Vincentelli	NA	2.93
	Mr. Anant Talaulicar	0.60	0.85
	Mr. Adi Engineer	NA	2.38
	Mr. B V R Subbu	NA	2.00
	Dr. Klaus Blicke	NA	1.45
	Mr. Nikhil Jakatdar	NA	0.25
	Ms. Nandita Gurjar	0.60	NIL
	Mr. Prasad Thrikutam	0.60	NIL
6	Sitting fees		
	Ms. Amita Birla	5.92	0.30
	Mr. Chandrakant Birla	0.50	0.20
	Mr. Anant Talaulicar	1.35	0.41

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Sr. No.	Nature of transaction	31 March 2020 Amount of transactions during the period	31 March 2019 Amount of transactions during the period
	Ms. Alka Bharucha	0.40	0.32
	Mr. Ashok Barat	1.10	0.30
	Ms. Nandita Gurjar	1.60	0.40
	Mr. Anjan Lahiri	NIL	0.03
	Mr. Prasad Thrikutam	1.15	0.10
	Mr. Sachin Tikekar	0.50	NIL
	Ms. Lila Poonawalla	NA	0.23
	Prof. Alberto Sangiovanni Vincentelli	NA	0.05
	Mr. Adi Engineer	NA	0.25
	Mr. B V R Subbu	NA	0.09
	Mr. Nikhil Jakatdar	NA	0.05
Transactions with KMP			
7	Repayment of loan granted		
	Mr. Kishor Patil	NA	4.52
8	Interest received on loan		
	Mr. Kishor Patil	NA	0.93
9	Balance outstanding as on 31 March 2020 [Receivable/(Payable)]		
	Ms. Sneha Padve	NIL	(0.09)
	Mr. Anjan Lahiri	NA	(2.05)
	Mr. Vinit Teredesai	NA	(0.02)
	Mr. Rajeev Gupta	(3.80)	(1.28)
Transactions with relative of KMP			
1	Short term employee benefits		
	Mr. Chinmay Pandit	NA	3.73
	Ms. Jayada Pandit	NA	1.50
	Mr. Shreyas Patwardhan	NA	0.12
2	Post employment benefit plans		
	Mr. Chinmay Pandit	NA	0.09
	Ms. Jayada Pandit	NA	0.04
	Mr. Shreyas Patwardhan	NA	0.00
3	Reimbursement of expenses (net)		
	Mr. Chinmay Pandit	NA	0.53
Transactions with enterprise over which KMP have significant influence			
1	Professional fees		
	Kirtane & Pandit LLP	NA	0.46
	KP Corporate Solutions Limited	NA	1.20

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Sr. No.	Nature of transaction	31 March 2020 Amount of transactions during the period	31 March 2019 Amount of transactions during the period
Enterprise having significant influence			
1	Rent		
	National Engineering Industries Limited	1.90	0.89
2	Balance outstanding as on 31 March 2020 [Receivable/(Payable)]		
	National Engineering Industries Limited	0.26	NIL
Others			
1	Corporate assistance and IPR fees		
	CK Birla Corporate Services Limited	50.34	9.27
2	Balance outstanding as on 31 March 2020 [Receivable/(Payable)]		
	CK Birla Corporate Services Limited	(15.99)	NIL
Transactions with associate/joint venture			
1	Sale of component		
	Yantra Digital Services Private Limited	NA	5.49
2	Loan given		
	Yantra Digital Services Private Limited	NA	150.00
3	Interest income on loan given		
	Yantra Digital Services Private Limited	NA	6.11
Public Companies in whose paid up share capital Director and relatives jointly hold more than 2%			
1	Sales		
	Orient Cement Limited	0.70	NIL
	Orient Electric Limited	1.80	NIL
2	Balance outstanding as on 31 March 2020 [Receivable/(Payable)]		
	Orient Cement Limited	0.38	NIL
	Orient Electric Limited	2.12	NIL

Note : Remuneration excludes provision for employee benefits as separate actuarial valuation for the directors, key management personnel and their relatives is not available.

** As the company and CK Birla Corporate Services Limited use the same 'CK Birla' brand and are disclosed as being part of the same 'Group' on the website operated by CK Birla Corporate Services Limited, from a good governance perspective the transaction is being reported as a 'related party transaction' under the applicable accounting standards.

*** Consequent to the Composite Scheme of arrangement taking effect, the existing contracts with the customers had to be novated and transferred from KPIT Technologies Limited or its subsidiaries to Birlasoft Limited or its subsidiaries, as applicable. Until the completion of this process of novation and transfer of existing contracts, the Company billed revenue to KPIT Technologies Limited or its subsidiaries, as applicable, who further billed this to the third party customer. Reversals in revenue are on account of reversal of unbilled revenue recognised in the previous year which is subsequently billed directly to the third party customer in the current year on completion of novation of contracts with customers and consequently their transfer in the name of Birlasoft Limited or its subsidiaries, as applicable.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

36 Lease transactions

Transition to Ind AS 116

1) Operating leases

For transition, the Group has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Group has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right of use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Group has used a single discount rate to a portfolio of leases with similar characteristics and in same geography.

On transition, the Group recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, and discounted using the incremental borrowing rate as at 01 April 2019. This had resulted in recognising right-of-use asset of ₹ 1,516.57 million (including finance lease of ₹ 54.33 million) and corresponding lease liability of ₹ 1,505.32 million as at 01 April 2019, after adjusting advance rent of ₹ 26.78 million and lease equalization reserve of ₹ 69.93 million, available as at 31 March 2019, against the right-of-use asset. The discounting rate of 9.20% has been applied for leases in India and 3.50% for lease in other than India locations to recognise the lease liabilities in balance sheet.

In the statement of profit and loss the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-of-use assets and finance cost for interest accrued on lease liabilities.

2) Finance leases

In respect of lease that were classified as finance lease under Ind AS 17, an amount of ₹ 54.33 million had been reclassified from Property, plant and equipment to right-of-use assets as at 01 April 2019.

Following are the changes in carrying value of right of assets for year ended 31 March 2020.

Particulars	Category of ROU Assets		
	Land	Office Premises	Total
Right-of- use asset created on adoption of Ind AS 116 as at 01 April 2019	-	1,462.24	1,462.24
Reclassified on account of adoption of IND AS 116	54.33	-	54.33
Addition	11.40	248.14	259.54
Deletion	-	35.15	35.15
Depreciation	2.44	364.95	367.39
Exchange difference	-	15.84	15.84
Balance as on 31 March 2020	63.29	1,326.12	1,389.41

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in consolidated statement of profit and loss.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Following is the movement in lease liabilities during year ended 31 March 2020

Particulars	31 March 2020
Lease liabilities created on adoption of Ind AS 116 as at 01 April 2019	1,505.32
Additions	233.73
Finance cost during the period	127.58
Deletions	38.04
Payment of lease liabilities	394.02
Exchange difference	15.70
Balance as on 31 March 2020	1,450.27

The following is breakup of current and non-current lease liabilities as at 31 March 2020

Particulars	31 March 2020
Current lease liabilities	310.62
Non-current lease liabilities	1,139.65
Total	1,450.27

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2020 on an undiscounted basis

Particulars	31 March 2020
Less than one year	419.47
One to five years	1,114.14
More than five years	161.35
Total	1,694.96

The difference between the future minimum lease rental commitments towards non-cancellable operating leases and finance leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Group has chosen to apply the practical expedient as per the standard.

The Group does not face significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. Impact of COVID 19 on the Group is disclosed in note 42

Amount recognised in profit and loss statement :

Particulars	31 March 2020
Finance cost on lease liabilities	127.58
Expense relating to short term leases	64.95
Expense relating to leases of low value assets excluding short term leases of low value assets	3.63
Expenses relating to variable lease payments not included in measurement of lease liabilities	11.55
Total	207.71

Amount recognised in profit and loss statement

Particulars	31 March 2020
Repayment of lease liabilities	394.02
Payment for acquiring right-of-use assets	24.91
Total	418.93

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

37 Basic and diluted earnings per share

Particulars		31 March 2020	31 March 2019
Nominal value per equity share	₹	2.00	2.00
Profit for the year from continuing operations	₹ (million)	2,243.48	2,353.85
Profit for the year from discontinued operations	₹ (million)	-	540.86
Weighted average number of equity shares	No. of shares	276,646,908	213,988,814
Earnings per share – basic			
From continuing operations	₹	8.11	11.00
From discontinued operations	₹	-	2.53
From continuing and discontinued operations	₹	8.11	13.53
Effect of dilutive potential equity shares -			
Employee stock options	No. of shares	1,806,262	2,405,368
Weighted average number of diluted equity shares	No. of shares	278,453,170	216,397,083
Earnings per share – diluted			
From continuing operations	₹	8.06	10.88
From discontinued operations	₹	-	2.50
From continuing and discontinued operations	₹	8.06	13.38

38 Details of provisions and movements in each class of provisions as required by the Ind-AS 37 on Provisions, Contingent Liabilities and Contingent Assets

1. Warranty

The Group has an obligation by way of warranty to maintain the software during the period of warranty, which may vary from contract to contract, from the date of sale of license of software to Tier I suppliers. The movement in the said provision is as under:

Particulars	31 March 2020	31 March 2019
Carrying amount as at the beginning of the year	3.24	13.97
Additional provision made during the year	-	3.12
Unused amount reversed during the year	3.46	1.18
Transferred on account of demerger	-	12.20
Exchange difference	0.22	(0.47)
Carrying amount at the end of the year	-	3.24

The warranty provision is expected to be utilized over a period of 1 year.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

2. Contingent liabilities

A. Taxes and guarantees

Sr. No.	Particulars	31 March 2020	31 March 2019
1	Outstanding bank guarantees in routine course of business	129.45	182.05
2	Income tax matters (refer note (ii) below)	689.49	673.32
3	VAT matters	0.42	11.71
4	Service Tax matters (excluding interest and penalty) (Refer note (i) below)	685.45	727.82
5	Other matters (Refer note (iii) below)	37.32	26.75

Note:

(i) Service tax matters

- a. The Company has received a show cause cum demand notice from Commissioner of Central Excise & Service Tax, Pune I for the period April 2014 to March 2015 demanding service tax relating to:
 - ₹ 169.34 million (Previous year ₹ 169.34 million) towards Service Tax on the amount received by branches from overseas clients on behalf of the Company, under the head 'Business Auxiliary Services'.
 - ₹ 13.07 million (Previous year ₹ 46.56 million) towards the amount of expenditure made in foreign currency in respect of category II and III services.
- b. The Company has received a show cause notice from Commissioner of Central Excise & Service Tax, Pune I for the period April 2010 to June 2012 demanding service tax relating to:
 - ₹ 4.79 million (Previous year ₹ 4.79 million) towards the amount of expenditure against reimbursement of expenses.

The Company has filed an Appeal with Customs, Excise and Service Tax Appellate Tribunal, Mumbai for all the above matters.

2 Department has filed an appeal against the Company in the following cases:

- ₹ 469.65 million (Previous year ₹ 469.65 million) towards Service Tax on the amount received by branches from overseas clients on behalf of the Company for the period October 2006 to March 2014, under the head 'Business Auxiliary Services' and expenditure made in foreign currency in respect of category II and III services with the Hon'ble Supreme Court of India
- ₹ 28.60 million (Previous year ₹ 28.60 million) towards Service Tax refund granted for the period April 2006 to March 2008 with the Hon'ble Bombay High Court

(ii) Income tax matters

The Income Tax Department has filed appeals for various years with Hon'ble Delhi High Court predominantly contesting a) the set off of losses of STP unit against Non STP unit b) deduction claimed by the Company u/s 10A of the Income-tax Act, 1961 and c) the Arm's Length Price of the transactions entered with the related parties. The disputed tax amount is ₹ 601.90 million.

The Company has filed appeals with various appellate authorities for different assessment years. The key items for which appeals are filed are a) allowability of deduction claimed by the Company u/s 10A of the Income-tax Act, 1961 b) deduction under section 36 of the Income-tax Act, 1961, with respect to deposit of dues c) disallowance of rent equalization reserve and d) Arm's Length Price of the transactions entered with the related parties. The disputed tax amount is ₹ 87.59 million.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

(iii) Other matters

These matters pertain to the transferee company acquired pursuant to the composite scheme.

- a. ₹ 19.47 million (excluding interest) arising out of the Order passed by District Magistrate/Collector, Gautam Budha Nagar, imposing stamp duty of ₹ 12.98 million for alleged short payment of stamp duty along with penalty of ₹ 6.49 million in respect of the office space taken (since vacated) at D-195, Sector 63, Noida, Gautam Budha Nagar, Uttar Pradesh, India, by erstwhile Birlasoft (India) Ltd. (now merged with and into Birlasoft Limited). The matter has been remanded back by Hon'ble Supreme Court to Hon'ble Allahabad High Court for hearing it afresh. The matter is presently pending before Hon'ble Allahabad High Court.
 - b. ₹ 7.20 million (excluding interest) arising out of the Order passed by Additional District Magistrate/Collector, Gautam Budha Nagar, imposing stamp duty of ₹ 6.20 million for alleged short payment of stamp duty along with penalty of ₹ 1.00 million in respect of the office space taken (since vacated) at H-9, Sector 63, Noida, Gautam Budha Nagar, Uttar Pradesh, India, by erstwhile Birlasoft (India) Ltd. (now merged with and into Birlasoft Limited). The Company has filed a Writ petition before Hon'ble Allahabad High Court for quashing of the Order.
 - c. ₹ 1.08 million arising out of the Demand Notice issued by Tamil Nadu Electricity Board, Chennai on account of purported short levy due to tariff difference. The Company has filed a Writ petition before the Hon'ble Madras High Court at Chennai, challenging such a demand. The matter is presently pending before the Hon'ble Madras High Court.
 - d. ₹ 7.40 million (excluding interest) arising out of recovery suit filed by an ex-employee against the company alleging wrongful termination. The matter is presently pending before Patiala House District Court at Delhi.
 - e. BRL 150,277 arising out of claim made by one of the previous customer in Brasilia Civil Court on erstwhile KPIT Technologies Solucoes EM Informatica Ltda. (now renamed, Birlasoft Solutions Ltda) and on SAP Brasil Ltda for alleged loss suffered by such customer arising from a dispute on a project/contract. The matter has been transferred and is presently pending before Civil Court of Sao Paulo.
- 3 As per Ind AS 37, the Group has made provision for future lease restoration expense of ₹ 3.36 million (Previous year ₹ 3.11 million) in respect leased premises in Noida. The same is expected to be utilized at the end of the lease period in 2026.

Sr. No.	Particulars	31 March 2020	31 March 2019
1	Carrying amount as at beginning of the year	3.11	3.11
2	Additional provision made during the year	0.25	-
3	Amount paid/utilized during the year	-	-
4	Carrying amount as at end of the year	3.36	3.11

4 Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for:

- a. Property, plant and equipment - ₹ 68.87 million (Previous Year ₹ 8.23 million)

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

39 Share based payments

1 Employee Stock Option Plan– 2004

The Board of Directors and the shareholders of the Group approved the Employees Stock Option Plan at their meeting in August 2001 and in September 2001, respectively. Pursuant to this approval, the Group instituted ESOP 2004, Plan in July, 2004. The compensation committee of the Group administers this Plan. Each option carries with it the right to purchase one equity share of the Group. The Options have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the fair market value. The vesting of the options is 33%, 33% and 34% of total options granted after end of first, second and third year respectively from the date of grant. The maximum exercise period is 5 years from the date of vesting.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	31 March 2020		31-Mar-19	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	-	-	153,938	70.60
Granted during the year	-	-	-	-
Forfeited / surrendered during the year	-	-	-	70.60
Exercised during the year	-	-	113,430	70.60
Lapsed during the year	-	-	40,508	70.60
Options outstanding at the end of year	-	-	-	-
Options exercisable at the end of the year	-	-	-	-

The weighted average share price of the options exercised under Employees Stock Option Scheme -2004 on the date of exercise during the year was ₹ Nil (Previous year ₹ 275.28).

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model. There has been no grant of options under the plan for the year ended 31 March 2020 and 31 March 2019.

The Group recorded an employee compensation cost of ₹ Nil (Previous year ₹ Nil) in the Statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

2 Employee Stock Option Plan – 2006

The Board of Directors and the shareholders of the Group approved another Employees Stock Option Plan at their meeting in July 2006 and in August 2006, respectively. Pursuant to this approval, the Group instituted ESOP 2006, Plan in October, 2006. The compensation committee of the Group administers this Plan. Each option carries with it the right to purchase one equity share of the Group. The Options have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the fair market value. The vesting of the options is 30%, 30% and 40% of total options granted after end of first, second and third year respectively from the date of grant. The maximum exercise period is 5 years from the date of vesting.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	31 March 2020		31-Mar-19	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	1,229,650	55.54	3,102,423	95.53
Granted during the year	-	-	-	-
Forfeited / surrendered during the year	75,695	55.54	73,935	95.91
Exercised during the year	305,600	49.91	1,729,938	93.98
Lapsed during the year	64,200	49.39	68,900	88.95
Options outstanding at the end of year	784,155	58.14	1,229,650	55.54
Options exercisable at the end of the year	784,155	58.14	1,229,650	55.54

The weighted average share price of the options exercised under Employees Stock Option Scheme -2006 on the date of exercise during the year was ₹ 72.90 (Previous year ₹ 244.32).

The weighted average remaining contractual life are as follows:

Range of Exercise Price	31 March 2020		31 March 2019	
	Weighted average contractual life (years)	No. of Options Outstanding	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	0.00	34,800	0.55	273,800
₹ 50 to ₹ 100	2.62	749,355	3.55	955,850
₹ 100 to ₹ 150	NIL	NIL	NIL	NIL
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model. There has been no grant of options under the plan for the year ended 31 March 2020 and 31 March 2019.

The Group recorded an employee compensation cost of ₹ Nil (Previous year ₹ 5.61 million (₹ 3.27 million pertains to discontinued operations)) in the Statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

3 Employee Stock Option Plan – 2014

The Board of Directors and the shareholders of the Group approved another Employees Stock Option Plan at their meeting in February 2014 and in April 2014, respectively. Pursuant to this approval, the Group instituted ESOP 2014 Plan in April 2014. The compensation committee of the Group administers this Plan. Each option carries with it the right to purchase one equity share of the Group. The Options have been granted to employees of the Company and its subsidiaries at an exercise price of ₹ 2 per option. The vesting of the options is 30%, 30% and 40% of total options granted after end of first, second and third year respectively from the date of grant. The maximum exercise period is 5 years from the date of vesting.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	31 March 2020		31 March 2019	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	30,000	2.00	135,000	2.00
Granted during the year	-	-	-	-
Forfeited / surrendered during the year	30,000	2.00	-	-
Exercised during the year	-	-	105,000	2.00
Options outstanding at the end of year	-	-	30,000	2.00
Options exercisable at the end of the year	-	-	30,000	2.00

The weighted average share price of the options exercised under Employees Stock Option Scheme -2014 on the date of exercise during the year was ₹ Nil (Previous year ₹ 270.85)

The weighted average remaining contractual life are as follows:

Range of Exercise Price	31 March 2020		31 March 2019	
	Weighted average contractual life (years)	No. of Options Outstanding	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	NIL	NIL	4.07	30,000
₹ 50 to ₹ 100	NIL	NIL	NIL	NIL
₹ 100 to ₹ 150	NIL	NIL	NIL	NIL
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model. There has been no grant of options under the plan for the year ended 31 March 2020 and 31 March 2019.

The Group recorded an employee compensation cost of ₹ Nil (Previous year ₹ 1.12 million (₹ 1.28 million pertains to discontinued operations)) in the Statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

4 Employee Stock Option Plan – 2015

The Board of Directors and the shareholders of the Group approved another Employee Stock Option Plan at their meeting in April 2015 and August, 2015, respectively. Pursuant to this approval, the Group instituted ESOP 2015 Plan in August 2015. The compensation committee of the Group administers this Plan. Each option carries with it the right to purchase one equity share of the Group. The Options have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the fair market value. The vesting of the options is 30%, 30% and 40% of total options granted after end of first, second and third year respectively from the date of grant. The maximum exercise period is 5 years from the date of vesting.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	31 March 2020		31 March 2019	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	547,800	60.58	989,050	106.76
Granted during the year	-	-	-	-
Forfeited / surrendered during the year	51,000	60.58	46,300	115.58
Exercised during the year	-	-	394,950	105.44
Lapsed during the year	-	-	-	-
Options outstanding at the end of year	496,800	60.78	547,800	60.58
Options exercisable at the end of the year	496,800	60.78	492,800	59.07

The weighted average share price of the options exercised under Employees Stock Option Scheme -2015 on the date of exercise during the year was ₹ Nil (Previous year ₹ 232.55).

The weighted average remaining contractual life are as follows:

Range of Exercise Price	31 March 2020		31 March 2019	
	Weighted average contractual life (years)	No. of Options Outstanding	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	NIL	NIL	NIL	NIL
₹ 50 to ₹ 100	1.88	496,800	3.82	547,800
₹ 100 to ₹ 150	NIL	NIL	NIL	NIL
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model. There has been no grant of options under the plan for the year ended 31 March 2020 and 31 March 2019.

The Group recorded an employee compensation cost of ₹ Nil (Previous year ₹ 3.82 million) in the Statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

5 Employee Stock Option Plan – 2019

The Board of Directors and the shareholders of the Company approved another Employee Stock Option Plan at their meeting in February 2019. Pursuant to this approval, the Company instituted ESOP 2019 Plan in February 2019. The compensation committee of the Company administers this Plan. Each option carries with it the right to purchase one equity share of the Company. The Options have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the face value of shares as on date of grant of such option. Option Granted under ESOP 2019 shall vest not earlier than minimum period of 1 (One) year and not later than maximum period of 3 (Three) years from the date of Grant. The vesting of the options is 30%, 30% and 40% of total options granted after end of first, second and third year respectively from the date of grant. The maximum exercise period is 4 years from the date of vesting.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

ESOP 2019 replaces ESOP Stock Options Plan -2015 (Plan) issued by Birlasoft (India) Limited (Transferor company) which stands cancelled pursuant to the scheme of amalgamation. Accordingly, ₹ 255.76 million was transferred to from ESOP reserve to retained earning as on 1 January 2019 on account of the same.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	31 March 2020		31 March 2019	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	4,753,138	3.10	-	-
Granted during the year	-	-	4,769,246	3.10
Forfeited / surrendered during the year	599,353	3.10	16,108	3.10
Exercised during the year	2,564,769	3.10	-	-
Lapsed during the year	-	-	-	-
Options outstanding at the end of year	1,589,016	3.10	4,753,138	3.10
Options exercisable at the end of the year	734,548	3.10	1,425,921	3.10

The weighted average share price of the options exercised under Employees Stock Option Scheme -2019 on the date of exercise during the year was ₹ 73.29 (Previous year ₹ Nil).

The weighted average remaining contractual life are as follows:

Range of Exercise Price	31 March 2020		31 March 2019	
	Weighted average contractual life (years)	No. of Options Outstanding	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	4.44	1,589,016	5.06	4,753,138
₹ 50 to ₹ 100	NIL	NIL	NIL	NIL
₹ 100 to ₹ 150	NIL	NIL	NIL	NIL
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model with the following assumptions:

Particulars	31 March 2020	31 March 2019
1. Exercise price (₹)	NIL	3.10
2. Price of the underlying share in market at the time of the option grant (₹)	NIL	101.35
3. Weighted average fair value of options granted (₹)	NIL	91.54
4. Expected life of the option (years)	NIL	3.17
5. Risk free interest rate (%)	NIL	6.93%
6. Expected volatility (%)	NIL	48.29%
7. Dividend yield (%)	NIL	2.37%

The Group recorded an employee compensation cost of ₹ 66.20 million (Previous year ₹ 29.33 million) in the Statement of Profit and Loss.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

6 Share Incentive Plan – 2019

The Board of Directors and the shareholders of the Company approved another Employee Stock Option Plan at their meeting in November 2019. Pursuant to this approval, the Group instituted Share Incentive Plan 2019 in November 2019. The compensation committee of the Group administers this Plan. Each option carries with it the right to purchase one equity share of the Group. The Options have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the face value of shares as on date of grant of such option. The vesting of the options is 50% and 50% of total options granted after end of second and third year respectively from the date of grant. The maximum exercise period is 4 years from the date of vesting.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	31 March 2020		31 March 2019	
	No. of shares	Weighted average exercise price	No. of shares	Weighted average exercise price
Options outstanding at the beginning of the year	-	-	-	-
Granted during the year	7,094,575	62.46	-	-
Forfeited / surrendered during the year	901,644	62.82	-	-
Exercised during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Options outstanding at the end of year	6,192,931	62.40	-	-
Options exercisable at the end of the year	-	-	-	-

The weighted average share price of the options exercised under Share Incentive Plan - 2019 on the date of exercise during the year was ₹ Nil (Previous year ₹ Nil).

The weighted average remaining contractual life are as follows:

Range of Exercise Price	31 March 2020		31 March 2019	
	Weighted average contractual life (years)	No. of Options Outstanding	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	NIL	NIL	NIL	NIL
₹ 50 to ₹ 100	6.13	6,192,931	NIL	NIL
₹ 100 to ₹ 150	NIL	NIL	NIL	NIL
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model with the following assumptions:

Particulars	31 March 2020	31 March 2019
1. Exercise price (₹)	62.46	NIL
2. Price of the underlying share in market at the time of the option grant (₹)	62.46	NIL
3. Weighted average fair value of options granted (₹)	22.28	NIL
4. Expected life of the option (years)	4.16	NIL
5. Risk free interest rate (%)	6.05%	NIL
6. Expected volatility (%)	47.49%	NIL
7. Dividend yield (%)	3.23%	NIL

The Group recorded an employee compensation cost of ₹ 20.04 million (Previous year ₹ Nil million) in the Statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

7 Share Incentive Plan – 2019

The Board of Directors and the shareholders of the Company approved another Employee Stock Option Plan at their meeting in November 2019. Pursuant to this approval, the Group instituted Share Incentive Plan 2019 in November 2019. The compensation committee of the Group administers this Plan. Each Restricted Stock Unit carries with it the right to purchase one equity share of the Group. The Units have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the face value of shares as on date of grant of such unit. The vesting of the options is 50% and 50% of total units granted after end of second and third year respectively from the date of grant. The maximum exercise period is 4 years from the date of vesting.

Number and weighted average exercise prices of units granted, exercised and cancelled/lapsed during the financial year

Particulars	31 March 2020		31 March 2019	
	No. of shares	Weighted average exercise price	No. of shares	Weighted average exercise price
Units outstanding at the beginning of the year	-	-	-	-
Granted during the year	1,644,863	2.00	-	-
Forfeited / surrendered during the year	411,216	2.00	-	-
Exercised during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Units outstanding at the end of year	1,233,647	2.00	-	-
Units exercisable at the end of the year	-	-	-	-

The weighted average share price of the units exercised under Share Incentive Plan – 2019 on the date of exercise during the year was ₹ Nil (Previous year ₹ Nil).

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

The weighted average remaining contractual life are as follows:

Range of Exercise Price	31 March 2020		31 March 2019	
	Weighted average contractual life (years)	No. of Units Outstanding	Weighted average contractual life (years)	No. of Units Outstanding
₹ 0 to ₹ 50	6.11	1,233,647	NIL	NIL
₹ 50 to ₹ 100	NIL	NIL	NIL	NIL
₹ 100 to ₹ 150	NIL	NIL	NIL	NIL
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model with the following assumptions:

Particulars	31 March 2020	31 March 2019
1. Exercise price (₹)	2.00	NIL
2. Price of the underlying share in market at the time of the option grant (₹)	61.95	NIL
3. Weighted average fair value of units granted (₹)	52.61	NIL
4. Expected life of the option (years)	4.16	NIL
5. Risk free interest rate (%)	6.04%	NIL
6. Expected volatility (%)	47.54%	NIL
7. Dividend yield (%)	3.23%	NIL

The Group recorded an employee compensation cost of ₹10.15 million (Previous year ₹ Nil million) in the Statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

Corporate Action Note

In terms of Clause 7.6.1 of the Composite Scheme of Arrangement, the stock options granted by the Transferor Company under the relevant Existing Stock Option Schemes stands cancelled and new options have been granted to employees under the Merged Company, the said employees have been issued options in the ratio of 1:1 for every outstanding stock options held by them in the Transferor Company.

Further, as per clause 18.5.2 of the Composite Scheme of Arrangement, employees of demerged entity (Other than employees mentioned above) received one option in resulting company - KPIT Technologies Limited (erstwhile known as KPIT Engineering Limited) for one option outstanding in the demerged entity - KPIT Technologies Limited.

Further, as per the aforesaid clause, the existing exercise price of the stock options of the Company shall stand suitably adjusted in the same manner of share exchange ratio. The weighted average exercise price for options outstanding at the end of the previous year and options excisable at the end of the previous year has been suitably adjusted accordingly.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

40 Income taxes

The income tax expense consists of following:

Particulars		31 March 2020	31 March 2019
Tax expense			
1	Current tax -continuing operations		
	Tax on the profit from continuing operations	1,111.64	746.68
	Total current tax expense (a)	1,111.64	746.68
2	Deferred tax - continuing operations		
	Attributable to -		
	Origination and reversal of temporary differences	6.92	(207.32)
	Total deferred tax expense (b)	6.92	(207.32)
3	Tax expense of discontinued operations		
	Tax on the profit from discontinued operations	-	313.04
	Total tax expense of discontinued operations (c)	-	313.04
	Total Tax Expense (a + b + c)	1,118.56	852.40

The deferred tax relates to origination/reversal of temporary differences.

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

Particulars	31 March 2020	31 March 2019
Profit before tax	3,362.04	3,774.04
Indian statutory income tax rate	34.94%	34.94%
Expected tax expense	1,174.83	1,318.80
Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Effect of income tax holiday, exemptions and deductions	-	(446.51)
Effect relating to prior years	(14.06)	44.31
Effect of permanent adjustments	(11.93)	(12.64)
Effect of differential overseas tax rates	(72.33)	(140.08)
Effect of unrecognized deferred tax assets	40.34	90.36
Others (net)	1.71	(1.84)
Total tax expense	1,118.56	852.40

During the year, for the period 01 April 2018 to 31 December 2018 i.e. the period upto which R & D Unit was part of the Group and for year ended 31 March 2018, the Group has claimed weighted tax deduction on eligible research and development expenditures based on the approval received from Department of Scientific and Industrial Research (DSIR) on 02 June 2011 which has been renewed effective April 2018. The weighted tax deduction is equal to 150% of such expenditures incurred.

Under the composite scheme of merger and de-merger the Units which formed part of Special Economic Zone were transferred to KPIT Technologies Limited (erstwhile KPIT Engineering Limited) effective 01 January 2019. Accordingly, the Group also benefited from the tax holiday available for units set up under the Special Economic Zone Act, 2005 (SEZ) for the period 01 April 2018 to 31 December 2018. The tax holiday was worked out as 100% of profits or gains derived from the export of services for

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

the first five years from the financial year in which the unit commenced the provision of services and 50% of such profits or gains for a further five years. Book profit of eligible SEZ units for the period 01 April 2018 to 31 December 2018 was ₹ 760.81 million. The Company claimed incentive deduction of ₹ 689.26 million under section 10AA of Income tax Act, 1961 for the year ended 31 March 2019.

Some subsidiaries of the Group have unabsorbed depreciation and losses under respective local tax laws and it is not probable that taxable profits will be available in the future. Hence, deferred tax assets on temporary differences have been recognized only to the extent of deferred tax liabilities. The amount of such unrecognised deferred tax assets is ₹ 26.33 million (Previous year - ₹ 90.36 million).

Deferred Tax

The gross movement in the deferred income tax account for the year ended 31 March 2020 and 31 March 2019, is as follows:

Particulars	31 March 2020	31 March 2019
Net deferred income tax asset at the beginning	1,432.59	943.89
Deferred tax asset transferred to resulting company	-	(8.44)
Translation differences	34.05	11.23
MAT Credit Utilised for the year	(388.95)	(125.53)
Deferred tax of transferor company	-	423.06
Credits / (charge) relating to temporary differences (net)	7.77	207.32
Temporary differences on other comprehensive income	114.66	(18.94)
Net deferred income tax asset at the end	1,200.12	1,432.59

Based on the Composite Scheme of Arrangement, for the year ended 31 March 2019:

- Deferred tax asset of ₹ 423.06 million related to Birlasoft (India) Limited (Transferor Company) and its subsidiaries were transferred to Birlasoft Limited (Erstwhile KPIT Technologies Limited) (transferee company or demerged company) upon merger.
- Deferred tax assets of ₹ 8.44 million was transferred to KPIT Technologies Limited (Resulting Company) (erstwhile KPIT Engineering Limited) and its subsidiaries for the assets and liabilities transferred to the resulting companies upon demerger”

The credit relating to temporary differences during the year ended March 31, 2020 are primarily on account of compensated absence, provision for doubtful debts and bad debts, gratuity, property, plant & equipment and transaction cost. The credit relating to temporary differences during the year ended March 31, 2019 are primarily on account of property, plant and equipment, provision for doubtful debts, provision for compensated absence, provision for gratuity, transaction cost and rent equalization reserve partially offset by forward exchange contract.

The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Act 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company to pay income taxes at reduced tax rates as per the provisions/conditions defined in the said section. The Company had evaluated and expects to exercise the option of lower tax rate of 25.17% (inclusive of surcharge and cess) under Section 115BAA of the Income Tax Act, 1961 in a subsequent financial year. Accordingly, the Company has estimated the reversal of deferred tax asset/ liabilities, until the date of exercise of the option and subsequent to exercise of the option. The effect of this change has been recognized in tax expense for the year ended March 31, 2020 on an effective tax basis. This has resulted in an increase in deferred tax expense of ₹ 100.50 million for the year ended March 31, 2020 on account of remeasurement of deferred tax asset.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

41 Goodwill

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. The financial projections basis which the future cash flows have been estimated consider the increase in economic uncertainties due to COVID-19, reassessment of the discount rates, revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis of the carrying amount of each asset in the unit.

Following is the summary of changes in carrying amount of goodwill:

Carrying Values	31 March 2020	31 March 2019
Opening balance	4,219.15	4,275.06
On account of business combinations during the year	-	(192.41)
Translation differences	322.32	136.50
Closing balance	4,541.47	4,219.15

Goodwill has been allocated to the operating segments of the Group as CGUs. The recoverable amount was computed based on estimated value-in-use. The carrying amount was computed by allocating the net assets to operating segments for the purpose of impairment testing.

The estimated value-in-use is based on the future cash flows using a 4% annual growth rate for periods subsequent to the forecast period of 5 years and discount rate of 17.75%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

42 The Group has evaluated the impact of COVID 19 on the consolidated financial statements as on 31 March 2020 as below:

1 Revenue from operations

The group has evaluated the impact of COVID-19 resulting from (a) the possibility of constraints to render services which may require revision of estimations of costs to complete the contract because of additional efforts; (b) onerous obligations; (c) penalties relating to breaches of service level agreements; (d) volume discounts, and (e) termination/deferment of projects to ensure that revenue is recognised after considering all these impacts to the extent known and available currently. Based on the evaluation, the Group has concluded that the impact of COVID – 19 is not material for the year. The Group would continue to assess the impact of COVID-19 as we go along due to uncertainties associated with its nature and duration.

2 Goodwill

The Group tests goodwill for impairment annually, or more frequently when there is an indication for impairment. The Group has performed its annual goodwill impairment testing considering the likely impact of COVID-19 on future cash flows, discount rates, and growth rates including terminal growth rate, along with subjecting these variables to sensitivity analysis considering impacted industry verticals and geographies. Based on the impairment assessment performed, the Group has concluded that the recoverable amount of goodwill is higher than the carrying value of goodwill and accordingly, no impairment is required. Refer note 41.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

3 Right of use assets (Lease Arrangements)

The Group does not foresee any large-scale contraction in demand which could result in significant down-sizing of its employee base rendering the physical infrastructure redundant. The leases that the Group has entered with lessors towards properties used as delivery centers / sales offices are long term in nature and the Group does not expect any change due to global pandemic in the terms of lease arrangements including renewal options assessed in this regard while assessing the Right-of-use assets.

4 Financial Instruments

a. Cashflow Hedge

The Group basis their assessment believes that the probability of the occurrence of their highly probable forecasted transactions is not significantly impacted by the COVID-19 pandemic. The Group has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness. The Group continues to believe that there is no impact on effectiveness of its hedges.

b. Trade Receivables and Contract assets including Unbilled revenue

Trade receivables and contract assets including unbilled revenue, have been valued after making allowance for expected credit losses based on factors like ageing, likelihood of increased credit risk and expected realizability, nature of customer verticals, geographies, considering impact of COVID-19 on customers and related customer verticals and geographies. In addition the Group has also considered credit reports and other credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic. The Group believes that the carrying amount of allowance for expected credit loss with respect to trade receivables, unbilled revenue and other financial assets is adequate.

c. Fair Valuation

Assets measured using level 1 inputs primarily include investment securities in liquid debt funds and the fair value being marked to an active market which factors the impact of COVID-19, we do not expect material volatility in these financial assets.

Assets and liabilities measured using level 2 inputs which include derivative financial instruments and financial assets measured at amortised cost which include cash and cash equivalents and deposits with banks and corporations, have been assessed basis counterparty credit risk.

5 Deferred Tax asset

The Group has considered the impact of COVID-19 in preparing revenue and profit projections. On the basis of these projections, the Group believes that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized.

6 Going Concern

The Group has prepared cashflow projections for the foreseeable future after considering the impacts of COVID-19. Further, the Group carries cash and cash equivalents of ₹ 4,495.65 million, other bank balances of ₹ 1,805.40 million and has unutilized working capital limits of ₹ 3,354.40 million as at March 31, 2020. Accordingly, the management has assessed that the going concern assumption is appropriate for the Group.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

43 Composite scheme of arrangement

- 1 The Board of Directors of the Company at its meeting held on 29 January 2018 had approved a Composite Scheme (“the Composite Scheme”) and subsequently filed with National Company Law Tribunal (NCLT) for: (a) amalgamation of Birlasoft (India) Limited (“Transferor Company”) with Birlasoft Limited (erstwhile KPIT Technologies Limited) (“Transferee Company” or “Demerged Company”); and (b) demerger of the engineering business of Birlasoft Limited (erstwhile KPIT Technologies Limited) into KPIT Technologies Limited (erstwhile KPIT Engineering Limited) (“Resulting Company”).

The Composite Scheme approved by the National Company Law Tribunal, Mumbai Bench on 29 November 2018 and certified copy of the order was received on 18 December 2018, was recorded by the Board of Directors in their meeting held on 15 January 2019, whereby the Transferor Company was merged into the Transferee Company and Engineering Business (Primarily comprising Automotive vertical with embedded software, digital technologies (cloud, IoT, analytics), Mobility Solutions and application life cycle management Business) was demerged from the Transferee Company and transferred to the Resulting Company, with effect from 01 January 2019, the appointed date. The Group has presented the Engineering Business (“Demerged Undertaking”) as discontinued operations during the year ended on 31 March 2019 in accordance with Ind AS 105 and accordingly reclassified the comparative financial information of the previous year presented.

In accordance with the composite scheme approved by the National Company Law Tribunal (NCLT) on November 29, 2018, the name of the Company has been changed from KPIT Technologies Limited to Birlasoft Limited, vide the “Certificate of Incorporation pursuant to change of name”, issued by the Registrar of Companies (ROC) dated February 8, 2019.

Shareholders of the Transferor Company have received 22 equity shares of the Transferee Company for every 9 equity shares they held in the Transferor Company. After the demerger of Transferee Company’s engineering business, shareholders of the Demerged Company received 1 equity share of the Resulting Company for every 1 equity share they hold in the Demerged Company. After the demerger, the Demerged Company has the combined business of KPIT IT Services Business and the current business of Birlasoft (India) Limited creating a new leader in the mid-tier IT services space. Whereas the Resulting Company has the current Engineering business of the Demerged Company to create a company focused on Automotive Engineering and Mobility Solutions.

As per the Composite Scheme, all assets and liabilities of Birlasoft (India) Limited (“Transferor Company”) stand transferred to the Transferee Company from the appointed date. The employees of the Transferor Company have also moved to the Transferee Company and consequently the employee related benefits and all contracts and agreements in relation to them have been taken over by the Transferee Company. The Composite Scheme has accordingly been given effect to in the financial statements as on the appointed date i.e. 01 January 2019.

As per the Composite Scheme, all assets and liabilities of the Engineering Business (“Demerged Undertaking”) stand transferred to the Resulting Company from the appointed date. The employees of the Engineering Business have also moved to the Resulting Company and consequently the employee related benefits and all contracts and agreements in relation to them have been taken over by the Resulting Company. The Composite Scheme has accordingly been given effect to in the financial statements as on the appointed date.

Accordingly, the previous year balances are not comparable.

Transaction I- Merger

Pursuant to the approved Composite Scheme, the Transferee Company shall account for merger and demerger in its books as per the applicable accounting principles prescribed under relevant Indian Accounting Standards (Ind AS). It would inter alia include the following:

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Accounting of Merger as per Court approved scheme:

- Assets, Liabilities and Reserves of the Transferor Company transferred to and vested in the Transferee Company shall be recorded at their carrying values as appearing in books of the Transferor Company at the time of the merger effective date and in accordance with requirements of relevant Ind AS.
- The Transferee Company shall credit its share capital account in its books of account with the new equity shares issued pursuant to Composite Scheme to the shareholders of the Transferor Company.
- Subsequent to the merger, the pre-merger shares of the Transferor Company shall be cancelled.
- The inter-company balances between Transferee Company and Transferor Company, if any, in the books of accounts of Transferee Company and Transferor Company shall stand cancelled.
- The difference, if any, between assets, liabilities and reserves transferred and the value of the new equity shares issued on merger by the Transferee Company shall be transferred to capital reserves of Transferee Company.
- The Transferor Company is in the process of transferring the title of the assets and liabilities received under the Composite Scheme as on the reporting date.

a. Consideration transferred (at the acquisition date book values)

Particulars	Amount
Cash	-
Equity shares (76,645,066 shares of Birlasoft Limited (Erstwhile KPIT Technologies Limited))	153.29
Total	153.29

b. Acquisition related cost

Acquisition related cost of ₹ 282.65 million is recognised under other expenses in the Statement of Profit and Loss for the year ended 31 March 2019.

c. The book value of assets acquired and liabilities taken over from Transferor Company as at the date of merger were:

Particulars	Amount
ASSETS	
Non-Current Assets	
Property, plant and equipment	682.20
Goodwill	258.69
Other intangible assets	7.48
Financial Assets	
Other financial assets	39.61
Other non current assets	315.15
Deferred tax assets (net)	423.06
	1,726.19

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Particulars	Amount
Current Assets	
Financial Assets	
Investments	2,385.51
Trade receivables	1,586.87
Cash and Cash equivalents	1,032.91
Other balances with banks	20.00
Other financial assets	283.11
Other current assets	249.93
	5,558.33
Total Assets	7,284.52
EQUITY AND LIABILITIES	
Equity	
Other Equity	4,873.55
Total Equity	4,873.55
Liabilities	
Non-Current Liabilities	
Provisions	3.33
Other non current liabilities	136.57
	139.90
Current liabilities	
Financial Liabilities	
Trade payables	
- Outstanding dues of micro enterprises and small enterprises	-
- Outstanding dues of creditors other than micro enterprises and small enterprises	735.86
Other financial liabilities	294.03
Provision for employee benefits	176.81
Other current liabilities	402.75
Provisions	242.46
Current tax liabilities	105.61
	1,957.52
Total Equity and Liabilities	6,970.97
Total net identifiable assets at book value	313.55

d. Capital Reserve arising on merger

Particulars	Amount
Purchase consideration	153.29
Less : Book value of net identifiable assets acquired	313.55
Capital reserve	(160.26)

The difference between the amount recorded as share capital issued and the amount of share capital of the Transferor Company has been transferred to capital reserve.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

e. Transferor Company's contribution to Revenue and Profit before tax

From the date of merger, the Transferor Company had contributed ₹ 2,535.09 million to revenue and ₹ 175.19 million to the profit before tax from continuing operations of the Group for the period ended 31 March 2019. If the combination had taken place at 01 April 2018, the contribution to Group's revenue for the year ended 31 March 2019 would have been ₹ 10,080.69 million and the profit before tax would have been ₹ 386.00 million.

Transaction II- Demerger

Pursuant to the approved Composite Scheme, Birlasoft Limited (erstwhile KPIT Technologies Limited) accounted for demerger of Demerged Undertaking in its books as per the applicable accounting principles prescribed under relevant Indian Accounting Standards (Ind AS). It would inter alia include the following:

Accounting of Demerger as per Court approved scheme:

1. The carrying values of assets and liabilities of demerged undertaking transferred to Resulting Company shall be adjusted with capital reserves, if any, then to general reserve account and then to retained earnings of the Demerged Company.
2. The carrying value of the investment in equity shares of the Resulting Company to the extent held by Demerged Company shall stand cancelled.
3. The Company is in the process of transferring the title of the assets and liabilities transferred under the scheme of demerger as on the reporting date.

a. Value of assets and liabilities transferred to the Resulting Company

Particulars	Amount
ASSETS	
Non-Current Assets	
Property, plant and equipment	2,602.40
Capital work in progress	8.58
Goodwill	959.98
Other intangible assets	748.78
Intangible assets under development	18.63
Financial assets	
Investment	10.40
Loans	273.67
Other financial assets	14.20
Income tax assets (net)	11.77
Deferred tax assets (net)	39.53
Other non current assets	29.05
	4,716.99
Current Assets	

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Particulars	Amount
Investments	168.85
Financial Assets	
Trade receivables	7,073.17
Cash and cash equivalents	1,422.84
Other balances with banks	147.38
Loans	93.85
Unbilled Revenue	882.73
Other financial assets	2,634.84
Other current assets	403.01
	12,826.67
Total Assets	17,543.66
EQUITY AND LIABILITIES	
Equity	
Other Equity	
General reserve	(117.89)
Capital reserve	(127.08)
Remeasurement of defined benefit plan	(45.27)
Effective portion of cash flow hedge	9.75
Foreign currency translation reserve	(19.21)
Retained earnings	4,563.25
Non-controlling interest	31.89
Total Equity	4,295.44
Liabilities	
Non-Current Liabilities	
Financial liabilities	
Borrowings	548.92
Other financial liabilities	38.96
Provisions	286.66
Deferred tax liabilities (Net)	31.09
	905.63
Current liabilities	
Financial liabilities	
Borrowings	1,319.18
Trade Payables	3,479.12
Other financial liabilities	1,510.13
Other Current Liabilities	742.96
Provisions	192.09
Income tax liabilities (net)	178.98
	7,422.46

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Particulars	Amount
Total Equity and Liabilities	12,623.53
Net asset to be transferred to the Resulting Company	4,920.13
Cancellation of existing investment in the Resulting Company	1.00
Utilisation of reserves for transfer of Net Assets pursuant to the above scheme of arrangement	
Capital reserve	179.66
General reserve	1,719.62
Retained earnings (excludes accumulated deficit of ₹ 288.39 million of EWT transferred to the Resulting Company)	3,021.85
	4,921.13

b. Results of discontinued operations

Particulars	31 March 2020	31 March 2019
Revenue from operations	-	13,916.48
Other income	-	143.65
Total income	-	14,060.13
Expenses		
Cost of materials consumed	-	108.54
Changes in inventories of finished goods and work-in-progress	-	(32.34)
Employee benefits expense	-	8,983.40
Finance costs	-	80.91
Depreciation and amortization expense	-	556.60
Excise duty	-	-
Other expenses	-	3,385.13
Total expenses	-	13,082.24
Profit before exceptional items, share of equity accounted investee and tax	-	977.89
Exceptional items (Refer Note (i))	-	-
Profit before share of equity accounted investees and tax	-	977.89
Share of (loss) of equity accounted investees (net of tax)	-	(97.06)
Profit before tax	-	880.83
Total tax expense	-	313.04
Profit after tax	-	567.79

Note:

- (i) During the year ended on 31 March 2018, the Company had sold of its entire stake in Sankalp Semiconductors Private Limited. The gain on disposal is recorded under exceptional items in the Statement of Profit and Loss.
- (ii) The Engineering business have been discontinued from 01 January 2019.

- c. Net cash outflows from discontinued operations for the year ended 31 March 2019 amount to INR 192749 million. Due to non-availability of relevant information relating to discontinued operations, the cash flows for the previous year have been disclosed on net basis and cash flows for the comparative period have not been disclosed.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

- 2 On 03 December 2018, the Group's subsidiary Birlasoft Solutions Inc, USA (erstwhile known as KPIT Infosystems Inc, USA) had transferred 100% stake in KPIT Technologies Inc, USA, an Engineering services company to KPIT Technologies Holding Inc. Pursuant to composite scheme KPIT Technologies Holding Inc has been transferred as a part of demerger of engineering business.

The above business combination is accounted for at carrying value using the pooling of interest method.

Details of the consideration transferred, the net assets acquired and the treatment thereof are as follows:

Particulars	Amount
Cash consideration received	865.42
Net assets transferred	706.99
Gain on sale of undertaking	158.43

- 3 On 03 December 2018, the Group's Subsidiary Birlasoft Computer Corporation, USA (erstwhile known as SYSTIME Computer Corporation, USA) and Birlasoft Technologies Canada Corporation (erstwhile known as KPIT Technologies Corporation, Canada) respectively transferred 99.9% and 0.1% shares of MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil to KPIT Technologies Limited (erstwhile KPIT Engineering Limited) and KPIT Technologies Holding Inc. respectively. Pursuant to composite scheme KPIT Technologies Limited (erstwhile KPIT Engineering Limited) and KPIT Technologies Holding Inc have been transferred as a part of demerger of engineering business.

The above business combination is accounted for at carrying value using the pooling of interest method.

Details of the consideration transferred, the net assets acquired and the treatment thereof are as follows:

Particulars	Amount
Cash consideration received	17.45
Net assets transferred	0.03
Gain on sale of undertaking	17.42

- 4 On 03 December 2018, the KPIT Technologies (UK) Limited transferred its IT business to Birlasoft Solutions Limited (erstwhile KPIT Infosystems Limited) (Subsidiary of Birlasoft Limited (erstwhile KPIT Technologies Limited)) at book value for a consideration of GBP 2.05 million. Pursuant to composite scheme KPIT Technologies (UK) Limited has been transferred as a part of demerger of engineering business.

The above business combination is accounted for at carrying value using the pooling of interest method.

Details of the consideration transferred, the net assets acquired and the treatment thereof are as follows:

Particulars	Amount
Cash consideration received	185.94
Net assets transferred	185.94
Gain on sale of undertaking	-

- 5 On 23 November 2018, the Group's erstwhile subsidiary KPIT Technologies GmbH, Germany transferred 100% shares of Birlasoft Solutions GmbH (erstwhile KPIT Solutions GmbH) to Birlasoft Solutions Limited (erstwhile KPIT Infosystems Limited) at fair market value at the consideration of Euro 9 Million.

The above business combination is accounted for at carrying value using the pooling of interest method.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

Details of the consideration transferred, the net assets acquired and the treatment thereof are as follows:

Particulars	Amount
Cash consideration received	718.02
Net assets transferred	209.14
Goodwill on consolidation	508.88

44 Other disclosures and explanatory notes

1 Disclosure of financial information of subsidiaries with material non-controlling interest

Pursuant to the Composite Scheme of arrangement (refer note 43), MicroFuzzy Industrie-Elektronik GmbH is no longer a subsidiary of the Group. As the demerger was effective 01 January 2019, the below data is presented for the period ending 31 December 2018.

The interest that non-controlling interest had in the Group's activities and cash flows:

A. Proportion of equity interest held by non-controlling interest

Name of the subsidiary	Country of incorporation and operation	31 March 2020	31 December 2018
MicroFuzzy Industrie-Elektronik GmbH	Germany	0.00%	12.50%

B. Details of non-controlling interest

Particulars	31 March 2020	31 December 2018
Accumulated balance of non-controlling interest	-	31.89
Total comprehensive income allocated to non-controlling interest	-	26.50

C. Summarised balance sheet (before inter-company eliminations)

Particulars	31 March 2020	31 December 2018
Non-current assets	-	112.29
Cash and cash equivalents	-	75.63
Current assets (excluding cash and cash equivalents)	-	587.39
Total	-	775.31
Trade payables	-	267.22
Current liabilities (excluding trade payables)	-	252.89
Total	-	520.11
Total equity	-	255.20
Attributable to:		
Owners of the Group	-	223.31
Non-controlling interest	-	31.89

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

D. Summarised statement of profit and loss (before inter-company eliminations)

Particulars	For the year ended on 31 March 2020	For the nine months ended on 31 December 2018
Revenue	-	1,718.71
Other income	-	8.33
Total income	-	1,727.04
Employee benefits expense	-	707.87
Finance costs	-	1.98
Depreciation and amortization	-	27.30
Other expenses	-	818.52
Total expenses	-	1,555.67
Profit before tax	-	171.37
Current tax	-	55.53
Profit/(Loss) for the period	-	115.84
Other comprehensive income	-	-
Total comprehensive income	-	115.84

E. Summarised cash flow information (before inter-company eliminations)

Particulars	For the year ended on 31 March 2020	For the nine months ended on 31 December 2018
Cash flow from:		
Operating activities	-	61.91
Investing activities	-	(20.21)
Financing activities	-	0.78
Net increase / (decrease) in cash and cash equivalents	-	42.48

2 Disclosure of interest in joint arrangement and associate

During the year ended 31 March 2018, the Group had further invested 8.34% in Yantra Digital Services Private Limited, a non-listed company based in Mumbai, India. Pursuant to this investment, the investee had become joint venture of the Company. The cumulative investment as on 31 March 2018 was 58.34%. Investee is engaged in providing the wifi based entertainment in public transport.

The investee was a subsidiary as defined under section 2(87) of the Companies Act, 2013. For the purpose of the consolidated Ind-AS financial statements, the entity has been considered as a Joint Venture as defined under Ind-AS 28 : Investments in Associates and Joint Ventures.

As a part of composite scheme of arrangement this entity has been transferred to the resulting company. As the demerger was effective 01 January 2019, below data is presented for the period ended 31 December 2018.

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

A. Summarised balance sheet

Particulars	31 March 2020	31 December 2018
Non-current assets	-	333.49
Cash and cash equivalents	-	10.99
Current assets (excluding cash and cash equivalents)	-	3.16
Total	-	347.64
Non-current liabilities	-	265.02
Trade payables	-	272.41
Current liabilities (excluding trade payables)	-	5.86
Total	-	543.29
Total equity	-	(195.65)
The Group's share in equity - 58.34%	-	(114.14)
Carrying amount of the investment (after adjusting the share of loss)	-	-

B. Summarised statement of profit and loss

Particulars	For the year ended on 31 March 2020	For the nine months ended on 31 December 2018
Revenue	-	8.67
Other income	-	0.24
Total income	-	8.91
Employee benefits expense	-	32.74
Finance costs	-	14.86
Depreciation and amortization	-	103.92
Other expenses	-	83.78
Total expenses	-	235.30
Profit/(Loss) before tax	-	(226.39)
Current tax	-	-
Profit/(Loss) for the period	-	(226.39)
Other comprehensive income	-	-
Total comprehensive income	-	(226.39)
The Group's share of loss for the year	-	(132.08)
The Group's share of loss, restricted to the extent of investment	-	(97.06)

C. Reconciliation of carrying amount of investment

Particulars	31 March 2020	31 December 2018
Carrying amount at the start of the year	-	97.06
Additional investment	-	-
Share of loss	-	(97.06)
Carrying amount of investment	-	-

Notes forming part of the consolidated financial statements for the year ended on 31 March 2020

(Amount in ₹ million)

- 3 The Company was required to spend ₹ 41.14 million towards Corporate Social Responsibility. During the year, the Company has spent and paid ₹ 41.75 million (Previous year ₹ 43.43 million) towards Corporate Social Responsibility, in various activities as specified in Schedule VII of the Companies Act 2013, read with the Rules thereunder, as direct spend for purposes other than construction/acquisition of any asset.

Particulars		31 March 2020	31 March 2019
A.	Gross amount required to be spent by the company during the year	41.14	42.99
B.	Amount spent during the year		
	(i) Construction/acquisition of any asset	Nil	Nil
	(ii) On purpose other than (i) above	41.75	43.43

- 4 The remuneration paid by the Company to its directors including managing and whole time directors, during the current year is in accordance with the provisions of Section 197 of the Companies Act, 2013 ("the Act"), except to the extent it relates to the value of perquisites in the form of Employee Stock Options exercised by the former Managing Director and Chief Executive Officer of the Company which has resulted in the remuneration being excess by ₹ 47.31 million vis-a-vis the limits prescribed by the Act. The Company is in the process of obtaining approval from its shareholders at the forthcoming Annual General Meeting for the same in accordance with the requirements of the Act.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration Number :101248W/W-100022

Swapnil Dakshindas

Partner

Membership No. 113896

Place: Pune

Date: 20 May 2020

For and on behalf of the Board of Directors of

BIRLASOFT LIMITED (Erstwhile KPIT Technologies Limited)

CIN: L72200PN1990PLC059594

Dharmander Kapoor

CEO & Managing Director

DIN: 08443715

Place: Faridabad

Date: 20 May 2020

Amita Birla

Chairman

DIN: 00837718

Place: New Delhi

Date: 20 May 2020

Sneha Padve

Company Secretary

Place: Pune

Date: 20 May 2020

BIRLASOFT LIMITED

(formerly KPIT Technologies Limited)

CIN: L72200PN1990PLC059594

Registered Office: 35 & 36, Rajiv Gandhi Infotech Park, Phase – I, MIDC,
Hinjawadi, Pune – 411057, India.

Tel.: +91-20-66525000 | Fax: +91-20-66525001 | Email: contactus@birlasoft.com | Website: www.birlasoft.com

NOTICE

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of Birlasoft Limited will be held on Wednesday, August 26, 2020, at 02:30 p.m. Indian Standard Time (“IST”), through Video Conferencing/Other Audio Visual Means (“VC/OAVM”) facility, to transact the following business:

ORDINARY BUSINESS

1. Adoption of audited Financial Statements – standalone

To receive, consider and adopt the audited Financial Statements for the financial year ended March 31, 2020, together with the report of the Auditor and the report of the Board of Directors thereon.

2. Adoption of audited Financial Statements – consolidated

To receive, consider and adopt the audited Consolidated Financial Statements for the financial year ended March 31, 2020, together with the report of the Auditor thereon.

3. Confirmation of interim dividend and declaration of final dividend

To confirm the payment of interim dividend and to declare final dividend for the financial year ended March 31, 2020.

[The Board of Directors had declared an interim dividend of ₹ 1/- (50%) per equity share of face value of ₹ 2/- each on the paid-up equity share capital of the Company on January 31, 2020. Further, the Board of Directors has recommended a final dividend of ₹ 1/- (50%) per equity share of face value of ₹ 2/- each].

4. Re-appointment of Mr. Chandrakant Birla as a Director liable to retire by rotation

To appoint a Director in place of Mr. Chandrakant Birla (Director Identification Number: 00118473), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

5. Approval of requests received from certain shareholders for re-classification of their shareholding from “Promoter and Promoter Group” category to “Public” category

To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:

“**RESOLVED THAT** pursuant to the provisions of Regulation 31A and all other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments made thereto) (“Listing Regulations”), and subject to necessary approvals from BSE Limited, National Stock Exchange of India Limited, and such other approvals as may be necessary, the requests received from the following shareholders for re-classification of their shareholding in the Company from “Promoter and Promoter Group” category to “Public” category and removal of their names from “Promoter and Promoter Group” of the Company, be and are hereby approved by the members of the Company:

Sr. No.	Name of Shareholder
1	Mr. Shashishekar Pandit
2	Ms. Nirmala Pandit
3	Mr. Chinmay Pandit
4	Mr. Kishor Patil
5	Mr. Shrikrishna Patwardhan
6	Mr. Ajay Bhagwat
7	Ms. Ashwini Bhagwat jointly held with Mr. Ajay Bhagwat
8	Mr. Sachin Tikekar
9	Ms. Anupama Patil
10	Proficient Finstock LLP
11	K and P Management Services Private Limited
12	Ms. Hemlata Shende

RESOLVED FURTHER THAT upon receipt of the requisite approvals, the Company shall give effect of such re-classification in the shareholding pattern from the immediate succeeding quarter under Regulation 31 of the Listing Regulations and in all other records of the Company and make such applications, intimations, disclosures and/or filings as may be relevant or necessary from such date, as may be appropriate.

RESOLVED FURTHER THAT Mr. Dharmander Kapoor - CEO & Managing Director, the Chief Financial Officer, Ms. Sneha Padve - Company Secretary of the Company, be and are hereby jointly and/or severally authorized to submit the applications for re-classification to BSE Limited and National Stock Exchange of India Limited wherein securities of the Company are listed, or any other regulatory body as may be required and to take steps necessary or desirable in this regard.

RESOLVED FURTHER THAT Mr. Dharmander Kapoor - CEO & Managing Director, the Chief Financial Officer, Ms. Sneha Padve - Company Secretary of the Company, be and are hereby jointly and/or severally authorized to sign any documents and do any and all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary or desirable, and to settle any questions, difficulty or doubt that may arise, in order to give effect to the above resolutions for and on behalf of the Company.

RESOLVED FURTHER THAT a copy of the above resolution, certified by any of the Directors or the Chief Financial Officer or the Company Secretary of the Company, be submitted to the concerned authorities and they are requested to act upon the same."

6. Adoption of a new set of Memorandum of Association

To consider and if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 4, 13 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014 and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and subject to the approval of any other statutory authorities, if any, required in this regard, the approval of the members of the Company, be and is hereby accorded to substitute

the existing Memorandum of Association of the Company, with a new set of Memorandum of Association as per the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT any one Director, the Chief Financial Officer and Ms. Sneha Padve - Company Secretary of the Company, be and are hereby severally authorized to furnish a certified copy of this resolution and to do all such acts, deeds, matters and things as may be usual and expedient to implement this decision."

7. Approval of the waiver of recovery of excess remuneration

To consider and if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 197, 198 and other applicable provisions of the Companies Act, 2013, read with Schedule V thereof and the Rules made thereunder and as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and the Articles of Association of the Company and as recommended by the Nomination and Remuneration Committee, and subject to the approval of any other statutory authorities, if any, required in this regard, the approval of the members of the Company, be and is hereby accorded for the waiver of the excess remuneration paid to Mr. Anjan Lahiri, Managing Director & CEO (upto May 31, 2019) (Director Identification Number: 06407055), during the financial year 2019-20, which is in excess of maximum remuneration permissible under the Companies Act, 2013.

RESOLVED FURTHER THAT any one Director, the Chief Financial Officer and Ms. Sneha Padve - Company Secretary of the Company, be and are hereby severally authorized to furnish a certified copy of this resolution and to do all such acts, deeds, matters and things as may be usual and expedient to implement this decision."

By Order of the Board of Directors
For Birlasoft Limited
(formerly KPIT Technologies Limited)

Place: Pune
Date: May 20, 2020

Sneha Padve
Company Secretary
Membership Number: A9678

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), setting out material facts concerning the special business under Item Nos. 5 to 7 of the Notice, is annexed hereto.
2. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at the Twenty Ninth Annual General Meeting ("the AGM") is also annexed hereto.
3. In view of the massive outbreak of the COVID-19 pandemic, social distancing norms to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos. 14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020, respectively, issued by the Ministry of Corporate Affairs (collectively referred to as "MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, issued by the Securities and Exchange Board of India ("the SEBI Circular") and in compliance with the provisions of the Act and the Listing Regulations, the AGM of the Company is being conducted through Video Conferencing/Other Audio Visual Means ("VC/OAVM") facility, which does not require physical presence of members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company.
4. The Company has engaged the services of National Securities Depository Limited ("NSDL") as the authorized agency for conducting of the AGM through VC/OAVM facility and for providing electronic voting ("e-voting") facility to its members, to exercise their votes through the remote e-voting and e-voting at the AGM.
5. In compliance with the aforesaid MCA circulars, the SEBI Circular, and the Listing Regulations, and owing to the difficulties involved in dispatching physical copies of the AGM Notice and the Annual Report 2019-20, including Financial Statements (along with Board's Report, Auditor's Reports or other documents required to be attached therewith), is being sent only through electronic mode to those members whose e-mail IDs are registered with the Registrar & Transfer Agent ("RTA") or respective Depository

Participants ("DPs"). Members may note that the AGM Notice and Annual Report 2019-20 will also be available on the Company's website at <https://www.birlasoft.com/company/investors/policies-reports-filings>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at <https://www.evoting.nsdl.com>.

6. Those members whose e-mail IDs, Permanent Account Number ("PAN") are not registered, can register the same as per the below process:

- **Members holding shares in physical form:**

The members of the Company holding shares in physical form and who have not registered their e-mail IDs may get their e-mail IDs registered with our RTA – Link Intime India Private Limited, by clicking the link: https://linkintime.co.in/emailreg/email_register.html or through their website www.linkintime.co.in > Investor Services > E-mail/Bank Registration > Select "**Birlasoft Limited**" and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate Number, PAN, Mobile Number and e-mail ID and also upload the image of share certificate in PDF or JPEG format (up to 1 MB) and other supporting documents.

On submission of the member's details, an OTP will be received by the member, which needs to be entered in the link for verification and submit thereafter.

- **Members holding shares in dematerialized form:**

The members are requested to register their e-mail IDs, in respect of shares held in dematerialized form with their respective DPs by following the procedure as prescribed by them.

7. In terms of the MCA Circulars, since the physical attendance of the members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by the members under Section 105 of the Act, **will not be available** for the AGM. Hence, the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Sections 112 and 113 of the Act, representatives of the members may be appointed for the purpose of voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM.

8. Since the AGM will be held through VC/OAVM, the route map is not annexed to this Notice.
9. Members holding shares in physical form, in identical order of names, in more than one folio are requested to consolidate their holdings in one folio. A consolidated share certificate will be issued to such members after making requisite changes.
10. The Company has fixed **Friday, August 14, 2020**, as the **“Record Date”** for determining eligibility of members to receive final dividend for the financial year ended March 31, 2020, if approved at the AGM.
11. The **“Cut-off Date”** for determining the eligibility of members for the purpose of voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM is **Wednesday, August 19, 2020**.
12. Members of the Company under the category of “Institutional Investors” are encouraged to attend and vote at the AGM.
13. Institutional/corporate members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authority letter, etc. alongwith attested specimen signature of the duly authorized signatory(ies), authorizing its representative to attend the AGM through VC/OAVM facility on its behalf and to vote through remote e-voting, to the Scrutinizer by e-mail through its registered e-mail ID to jbbhave@gmail.com with a copy marked to evoting@nsdl.co.in.
14. Attendance of the members participating in the AGM through VC/OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. Further, all resolutions mentioned in this Notice shall be passed through the facility of remote e-voting and e-voting at the AGM.
15. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names as per the Register of Members or in the Register of Beneficial Owners maintained by the Depositories will be entitled to vote at the AGM.
16. Facility to join the AGM shall be opened 20 (twenty) minutes before the scheduled time of the AGM and shall be kept open for the members throughout the proceedings of the AGM. The procedure to join the AGM is mentioned in the “Instructions for electronic voting by members” annexed hereto.
17. The facility of participation at the AGM through VC/OAVM, provided by NSDL, allows participation for 1,000 members on first-come-first-served basis principle. This will not include large members (members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without any restriction on account of first-come-first-served basis principle.
18. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to Deduction of Tax at Source (“TDS”) will be made within the statutory time limit of 30 days, as under:
 - a. To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”), collectively “Depositories”, as of the close of business hours on Friday, August 14, 2020; and
 - b. To all the members in respect of shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the RTA as of the close of business hours on Friday, August 14, 2020.

Payment of such dividend shall be made through electronic mode to the members who have updated their bank account details. In the event the Company is unable to pay dividend to any member through electronic mode, due to non-registration of the electronic bank mandate, the Company shall dispatch the dividend warrant/bankers’ cheque/demand draft to such member, at the earliest once normalcy is restored.
19. The Company is providing following facility for registering the bank account details:

- **Registration of bank account details for members holding shares in physical form:**

The members of the Company holding shares in physical form and who have not registered their bank account details, can get the same registered with our RTA, by clicking the link: https://linkintime.co.in/emailreg/email_register.html or through their web site www.linkintime.co.in > Investor Services > E-mail/ Bank Registration > select “**Birlasoft Limited**” and follow the registration process as guided therein. The members are requested to provide a signed request letter and details such as Name, Folio Number, Certificate Number, PAN, e-mail ID along with the copy of PAN & the cheque leaf with the first named member’s name imprinted in the face of the cheque leaf containing bank name and branch details, type of account, bank account number, MICR details and IFSC code in PDF or JPEG format. It is very important that the member should submit the request along with a duly signed letter.

On submission of the member’s details, an OTP will be received by the member, which needs to be entered in the link for verification and submit thereafter.

The RTA will verify the documents uploaded and will only take on records for all valid cases.

- **Registration of bank account details for members holding shares in dematerialized form:**

The members of the Company holding shares in dematerialized form and who have not registered their bank details, can get the same registered with their respective DPs by following the procedure prescribed by them.

20. In terms of the provisions of the Income-tax Act, 1961 (“the IT Act”) as amended by the Finance Act, 2020, dividend paid or distributed by a Company on or after April 1, 2020, shall be taxable in the hands of the members. The Company shall, therefore, be required to deduct TDS at the time of payment of dividend at the applicable tax rates. The rate of TDS would depend upon the category and residential status of the member.

As it is important for the Company to receive the relevant information from members to determine the rate of tax deduction, the members are requested to furnish relevant documentation in the prescribed manner on the portal of RTA on or before **Friday, August 21, 2020 (06:00 p.m.**

IST). The applicable TDS rate for dividends and documents to be furnished by each category of members is given in the “Annexure – TDS on Dividend”, annexed hereto. The relevant documents can be uploaded on RTA portal at <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html>.

The information given in the said Annexure may not be exhaustive and the members should evaluate on their own about the category for which they should furnish the documents. In absence of all the relevant documents, the Company shall determine TDS rate based on information available with the RTA (for shares held in physical form) and with the respective DPs (for shares held in dematerialized form).

Please note that the duly completed & signed documents should be uploaded on the portal of the RTA on or before **Friday, August 21, 2020 (06:00 p.m. IST)**. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/deduction shall be considered after the abovementioned date & time.

Members are also requested to update changes in their Residential Status, if any, with the RTA (for shares held in physical form) & DPs (for shares held in dematerialized form), along with the supporting documents.

In case tax on dividend is deducted at a higher rate in the absence of receipt of the specified details/documents, you would still have the option of claiming refund of the excess tax paid at the time of filing your income tax return. No claim shall lie against the Company for such taxes deducted.

Members should note that any document/form not uploaded on the portal will not be considered for the purpose of processing and shall be rejected, therefore, it should be uploaded on the portal only.

Members who have uploaded documents on the portal of the RTA should also forward the originals to the Company after normalization since physical submission of certain documents is a legal requirement.

A detailed communication with respect to the same is already sent to the members on Thursday, July 16, 2020, whose e-mail IDs are registered with the RTA/ DPs respectively and is also available on the website of the Company at <https://www.birlasoft.com/company/investors/policies-reports-filings>.

All communications/queries with respect to TDS on dividend and submission of relevant documentation should be sent to our RTA at bsltaxexemption@linkintime.co.in on or before Friday, August 21, 2020 (06:00 p.m. IST).

21. Members are requested to intimate changes, if any, pertaining to their name, postal address, telephone/mobile numbers, PAN, mandates, nominations and power of attorney to their respective DPs in case the shares are held by them in dematerialized form; and to the RTA of the Company at Link Intime India Private Limited (Attention - Mr. Sandip Pawar) Block No. 202, Akshay Complex, Off Dhole Patil Road, Near Ganesh Temple, Pune - 411001, Telephone: +91-20-26161629, E-mail: pune@linkintime.co.in in case the shares are held by them in physical form.
22. As per the provisions of Section 72 of the Act, the members are entitled to nominate a person to whom his/her shares in the Company shall vest by filling up Form No. SH-13. The members holding shares in dematerialized form are requested to submit the said details to their respective DPs; and the members holding shares in physical form are requested to avail this facility by contacting the RTA of the Company at Link Intime India Private Limited (Attention - Mr. Sandip Pawar) Block No. 202, Akshay Complex, Off Dhole Patil Road, Near Ganesh Temple, Pune - 411001, Telephone: +91-20-26161629, E-mail: pune@linkintime.co.in.
23. Pursuant to the provisions of Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of the same and to eliminate all risks associated with physical shares and for ease of portfolio management, the members are advised to dematerialize shares held by them in physical form. For the said purposes the members are requested to contact the RTA of the Company at Link Intime India Private Limited (Attention - Mr. Sandip Pawar) Block No. 202, Akshay Complex, Off Dhole Patil Road, Near Ganesh Temple, Pune - 411001, Telephone: +91-20-26161629, E-mail: pune@linkintime.co.in.
24. Pursuant to Sections 101 and 136 of the Act, read with the relevant Rules issued thereunder, companies can serve Annual Reports and other communications through electronic mode to those members who have registered

their e-mail IDs either with the RTA or with their respective DPs. It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow the members to contribute towards a greener environment. This is a golden opportunity for every member of the Company to contribute to the cause of "Green Initiative".

25. Members are requested to:
 - quote their Registered Folio number in case of shares in physical form and DP ID and Client ID in case of shares in dematerialized form, in their correspondence(s) to the Company.
 - direct all correspondence related to shares including consolidation of folios, if shareholdings are under multiple folios, to the RTA of the Company.
 - take note that SEBI has included the securities of the Company in the list of companies for compulsory settlement of trades in dematerialized form for all the investors effective June 26, 2000. Accordingly, shares of the Company can be traded only in dematerialized form with effect from June 26, 2000. Members holding shares in physical form are, therefore, requested to get their shares dematerialized at the earliest.
26. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company or the RTA of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the respective DPs and holdings should be verified from time to time.
27. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company so as to reach them at least 7 (seven) days before the date of the AGM, through e-mail on contactus@birlasoft.com. The same will be replied by the Company suitably.
28. A certificate from the Statutory Auditor of the Company certifying that the Company's Employee Stock Option Plans are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time and in accordance with the resolutions passed at the general meeting(s) will be available electronically for inspection by the members during the AGM.

29. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.

30. All documents referred to in the Notice will also be available electronically for inspection, without any fee by the members, from the date of circulation of this Notice up to the date of the AGM. Members seeking to inspect such documents can send an e-mail to contactus@birlasoft.com.

31. The Company has transferred the unpaid or unclaimed dividends declared up to the financial year 2011-12, from time to time, to the Investor Education and Protection Fund ("IEPF") established by the Central Government.

Members wishing to claim the unpaid dividend, are requested to correspond with the RTA of the Company at Link Intime India Private Limited (Attention - Mr. Sandip Pawar) Block No. 202, Akshay Complex, Off Dhole Patil Road, Near Ganesh Temple, Pune - 411001, Telephone: +91-20-26161629, E-mail: pune@linkintime.co.in.

Members are requested to note that dividend which are not encashed or claimed within 7 (seven) years from the date of transfer of the dividend to the Company's Unpaid Dividend Account, will, as per Section 124 of the Act, be transferred to the IEPF.

Please note that pursuant to the provisions of Section 124(6), read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Amendment Rules, 2016 ("Rules") as amended from time to time, shares in respect of such dividend will be transferred in the name of the IEPF including all benefits accruing on such shares. The Company has sent out individual communication to the members whose dividends remain unclaimed for 7 (seven) years and published an advertisement in newspapers, inviting such members to claim their dividend. The information in respect of such

shares is uploaded on the website of the Company at <https://www.birlasoft.com/company/investors/policies-reports-filings>.

Accordingly, during the year, the Company transferred an amount of ₹ 3,18,722/- being the unclaimed dividend pertaining to the financial year 2011-12 to the IEPF. Further, 20,182 corresponding shares were transferred to the IEPF Authority as required under the above referred Rules.

Members can claim back such dividend and shares including all benefits accruing on such shares from the IEPF Authority after following the procedure prescribed in the Rules, by filing Form No. IEPF-5 available on www.iepf.gov.in. Members can file only one consolidated claim in a financial year as per the Rules.

32. Pursuant to the provisions of Section 108 of the Act, read with the corresponding Rules made thereunder, and Regulation 44 of the Listing Regulations, and the Secretarial Standards issued by the Institute of Company Secretaries of India, the Company is providing a facility to its members to exercise their votes electronically through the e-voting facility provided by the NSDL. Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized form, physical form and for members who have not registered their e-mail ID is provided in the "Instructions for electronic voting by members" which forms part of this Notice. The Board has appointed Mr. Jayavant Bhave - Proprietor of J. B. Bhave & Co, Practising Company Secretaries (Membership No. - F4266), as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. Any person who becomes a member of the Company after the dispatch of the Notice and holding shares as on the Cut-off Date may obtain the login ID and password by sending a request at evoting@nsdl.co.in, to cast his/her vote. A person who is not a member as on the Cut-off Date should treat this Notice of the AGM for information purpose only.

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO
SECTION 102 OF THE COMPANIES ACT, 2013**

[Pursuant to the provisions of Section 102 of the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India and approved by the Central Government]

Item No.: 5

Pursuant to Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”), BSE Limited and National Stock Exchange of India Limited (“Stock Exchanges”) may allow re-classification of promoters as public shareholders or vice versa subject to fulfillment of conditions as provided therein.

In this regard, the Company has received a letter from certain shareholders (“Outgoing Promoters”), who are part of the “Promoter and Promoter Group” of the Company and have requested for re-classification under the “Public” category under Regulation 31A of the Listing Regulations (“Request”). The Request of the following shareholders was received by the Company, on May 19, 2020 and was placed before the Board of Directors at its meeting held on May 20, 2020:

Sr. No.	Name of Shareholder
1	Mr. Shashishekhhar Pandit
2	Ms. Nirmala Pandit
3	Mr. Chinmay Pandit
4	Mr. Kishor Patil
5	Mr. Shrikrishna Patwardhan
6	Mr. Ajay Bhagwat
7	Ms. Ashwini Bhagwat jointly held with Mr. Ajay Bhagwat
8	Mr. Sachin Tikekar
9	Ms. Anupama Patil
10	Proficient Finstock LLP
11	K and P Management Services Private Limited
12	Ms. Hemlata Shende

The Board noted that the Outgoing Promoters are no longer associated with the business of the Company in any manner, and do not exercise any control over the Company, directly or indirectly, or have any influence over the business and policy decisions made by the Company. Further, the Outgoing Promoters are not engaged in the day-to-day affairs of the Company.

The Outgoing Promoters have also confirmed they are eligible for re-classification as public shareholders and satisfy the

conditions set out in Regulation 31A of the Listing Regulations and any other applicable law. In accordance with Regulation 31A(3)(b), of the Listing Regulations, the Outgoing Promoters have confirmed that they and the persons related to them (as defined by sub-clause (i), (ii) and (iii) of sub-clause (pp) of sub-regulation (1) of Regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018):

- a) together, do not hold more than 10 (ten) percent of the total voting rights of Company;
- b) do not exercise control over the affairs of the Company, whether directly or indirectly;
- c) do not have any special rights with respect to the Company through formal or informal arrangements, including through any shareholder agreements;
- d) are not represented in any capacity on the Board of Directors of the Company (including through any nominee director);
- e) are not acting as key managerial persons in the Company;
- f) are not “wilful defaulters” as per the Reserve Bank of India guidelines; and
- g) are not fugitive economic offenders.

The Outgoing Promoters have also undertaken to abide by the conditions listed in Regulation 31A(4) of the Listing Regulations after their re-classification as public shareholders of the Company pursuant to the approval of such re-classification by the shareholders of the Company and the Stock Exchanges, failing which, they shall automatically be re-classified as Promoters/persons belonging to the Promoter Group, as applicable.

The Board of Directors of the Company considered the facts stated above and accepted the Request for re-classification from “Promoter and Promoter Group” category to the “Public” category by the Outgoing Promoters subject to approval of the members of the Company and also subject to the approval of the Stock Exchanges. In accordance with the Listing Regulations, the Board of Directors has recommended passing the Ordinary Resolution as set out in the notice, for approval of the members of the Company.

As required under the Listing Regulations, upon re-classification to the “Public” category, the Outgoing Promoters shall not:

- a) hold more than 10% of the total voting rights in the Company;
- b) exercise control over the affairs of the Company directly or indirectly; or
- c) have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements.

Further, they shall not be represented on the Board of Directors of the Company (including through a nominee director) or act as key managerial persons of the Company for a period of atleast 3 (three) years from date on which the Stock Exchanges approve their re-classification to the “Public” category.

The Company is in compliance with the requirement for minimum public shareholding as required under Regulation 38 of the Listing Regulations. The Company does not have any outstanding dues to the Securities and Exchange Board of India, the Stock Exchanges, or the Depositories. Further, trading in the equity shares of the Company has not been suspended by the Stock Exchanges.

Electronic copy of relevant documents in this regard shall be available for inspection on the Company’s website at <https://www.birlasoft.com/company/investors/policies-reports-filings>.

In accordance with the Listing Regulations, these persons and their immediate relatives [as defined under Regulation 2(1)(pp) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018] shall not vote on this resolution.

The Board of Directors recommends the resolution for approval of the members of the Company, as set out at Item No. 5 of the Notice.

None of the Directors, Key Managerial Personnel or any of their respective relatives are, in any way, concerned or interested, whether financially or otherwise in this resolution.

Item No.: 6

The existing Memorandum of Association (“MoA”) of the Company is based on the erstwhile Companies Act, 1956. The alteration of the MoA is necessary to bring the existing MoA in line with the Companies Act, 2013 (“the Act”).

According to the Act, the companies now have only “Main Business” and “Ancillary and Incidental Businesses” to the

attainment of the “Main Business”, therefore, it is important to alter and adopt a new set of the MoA as per the Act. The new set of MoA is based on Table A of the Act.

Under the provisions of the Act, adoption of new set of Memorandum of Association has to be approved by a special resolution of the members of the Company.

Electronic copy of the proposed new set of Memorandum of Association of the Company shall be available for inspection on the Company’s website at <https://www.birlasoft.com/company/investors/policies-reports-filings>.

The Board of Directors recommends the special resolution for approval of the members of the Company, as set out at Item No. 6 of the Notice.

None of the Directors, Key Managerial Personnel or any of their respective relatives are, in any way, concerned or interested, whether financially or otherwise in this resolution.

Item No.: 7

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors had approved the waiver of the recovery of excess remuneration paid to Mr. Anjan Lahiri, Managing Director & CEO (upto May 31, 2019) (Director Identification Number: 06407055), during the financial year 2019-20.

The managerial remuneration paid to Mr. Lahiri, during the financial year 2019-20, has exceeded the limit prescribed under Section 197 of the Act, on account of perquisite value of the equity shares under the Special Purpose Birlasoft- Employee Stock Option Plan 2019 (“ESOP-2019”), vested in and exercised by him, during the said financial year and the managerial remuneration excluding the perquisite value of ESOP-2019 shares would have been well within the prescribed limits.

Pursuant to the provisions of Section 197 of the Act, the waiver of recovery of excess remuneration payable to the Managing Director & CEO would require approval of members of the Company by way of special resolution. Therefore, the members are requested to accord their approval for waiver of recovery of the excess remuneration paid to Mr. Anjan Lahiri, during the financial year 2019-20.

The Board of Directors recommends the resolution for approval of members of the Company, as set out at Item No. 7 of the notice.

None of the Directors, Key Managerial Personnel or any of their respective relatives are, in any way, concerned or interested, whether financially or otherwise, in this resolution.

ADDITIONAL INFORMATION ON DIRECTOR SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

Details of Director seeking re-appointment at the Annual General Meeting as per Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings

Particulars	Mr. Chandrakant Birla
Director Identification Number	00118473
Designation	Non-Executive Director
Date of Birth	January 9, 1955
Age	65 years
Qualifications	Bachelor of Arts
Experience	43 years
Occupation	Industrialist
Expertise in specific functional areas	Industrialist having rich business experience in managing diversified industrial enterprises.
Brief resume of the Director	Mr. Chandrakant Birla is the Chairman of the CK Birla Group. The Group operates in three industry clusters: technology and automotive, home and building, and healthcare and education. He is a keen philanthropist who is committed to social development in India, the advancement of Science and Technology, Art and Culture.
Date of first appointment	January 15, 2019
Terms and conditions of re-appointment	Re-appointment upon retirement by rotation
Remuneration last drawn	Kindly refer the Report on Corporate Governance of this Annual Report.
Remuneration proposed to be given	Shall be eligible for the following: <ul style="list-style-type: none"> a) Sitting fees for attending meetings of the Board or committee thereof or for any other purpose whatsoever as may be decided by the Board; b) Reimbursement of expenses for participation in the Board and other meetings; c) Profit related commission as may be approved by the members.
Number of Board meetings of the Company attended during the year	Kindly refer the Report on Corporate Governance of this Annual Report.
Directorships held in other companies (as on March 31, 2020)	<ul style="list-style-type: none"> a) Orient Paper & Industries Limited b) Orient Cement Limited c) Orient Electric Limited d) National Engineering Industries Limited e) HIL Limited f) Neosym Industry Limited g) AVTEC Limited h) Birla Brothers Pvt. Ltd. i) Birlasoft Inc., U.S.A. j) Birlasoft (UK) Limited, London k) ASS AG, Switzerland

Memberships / Chairmanships of committees of other companies	<p>a) National Engineering Industries Limited</p> <ul style="list-style-type: none"> Nomination & Remuneration Committee <p>b) Orient Cement Limited</p> <ul style="list-style-type: none"> Nomination & Remuneration Cum Compensation Committee; Implementation Committee; and Fund Raising Committee. <p>c) Orient Electric Limited</p> <ul style="list-style-type: none"> Nomination & Remuneration Committee <p>d) HIL Limited</p> <ul style="list-style-type: none"> Nomination & Remuneration Cum Compensation Committee
Number of shares held in the Company	NIL
Relationship with other Directors and Key Managerial Personnel or their respective relatives	Spouse of Mrs. Amita Birla.

ANNEXURE - TDS ON DIVIDEND

Post enactment of the Finance Act, 2020, companies paying dividend are required to withhold tax at the applicable tax rates (7.50% for resident members with valid PAN, 20% for resident members without PAN or invalid PAN and rates prescribed under the IT Act or Tax Treaty, read with Multilateral Instruments, if applicable, for non-resident members). No withholding of tax is applicable if the dividend payable to resident individual members is less than ₹ 5,000/- p.a.

In order to provide exemption from TDS or apply lower rate of TDS or consider benefit of relevant Double Taxation Avoidance Agreement with India as may be applicable, the documents prescribed for each category of member (as per the eligibility) must be uploaded on the portal of RTA at <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html>. The format of relevant documents is available on the website of Company at <https://www.birlasoft.com/company/investors/policies-reports-filings>. If the documents are found in accordance with the provisions of the Act the same shall be considered while deducting the taxes.

1. Resident individual member

- Form 15G or Form 15H;
- Any other documents as prescribed under the Income tax act for lower withholding of taxes; and
- PAN or documentary evidence if you are exempt from obtaining PAN.

2. Resident non-individual member (Company, Firms, HUF, AOP, Trust)

- Lower withholding tax certificate for the financial year 2020-21, if any, obtained from the Income Tax authorities; and
- PAN.

3. Resident mutual fund member

- Copy of relevant registration documents;
- A declaration that the mutual fund is governed by the provisions of Section 10(23D) of the IT Act; and
- PAN.

4. Resident insurance company member

- Copy of relevant registration documents;
- A declaration that the insurance company is beneficial owner of the shares held; and
- PAN.

5. Alternative Investment Fund ("AIF")

- Copy of registration documents;
- A declaration that its income is exempt under Section 10(23FBA) of the IT Act and AIF is established as Category I or Category II AIF under the SEBI Regulations; and
- PAN.

6. Non-resident member (excluding Foreign Institutional Investors)

All the documents given below should be attested by self/ authorized signatory:

- a. Copy of Tax Residency Certificate ("TRC") for the financial year 2020-21 obtained from the revenue authorities of the country of residence;
- b. Form 10F for financial year 2020-21;
- c. Self-declaration of Beneficial Ownership;
- d. Self-declaration for not having Permanent Establishment in India in accordance with the applicable Tax Treaty;

- e. PAN; and
- f. Any other documents as prescribed under the Income tax act for lower withholding of taxes, if applicable.

The Company is not obligated to apply the beneficial Double Taxation Avoidance Agreement ("DTAA") rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by non-resident members.

INSTRUCTIONS FOR ELECTRONIC VOTING BY MEMBERS

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs ("MCA") dated April 8, 2020, April 13, 2020 and May 5, 2020 and the Secretarial Standards issued by the Institute of Company Secretaries of India, the Company is providing facility of electronic voting ("e-voting") to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited ("NSDL") for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
2. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
3. The Cut-off Date for determining the eligibility of members for voting through remote e-voting and e-voting at the AGM is **Wednesday, August 19, 2020**. The remote e-voting period commences on Friday, August 21, 2020 (09:00 a.m. IST) and ends on Tuesday, August 25, 2020 (05:00 p.m. IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off Date i.e. Wednesday, August 19, 2020, may cast their vote by remote e-voting. The remote e-voting shall be disabled by NSDL after the remote e-voting period ends. Once the vote is cast, the member shall not be allowed to change it subsequently.
4. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through e-voting facility.
5. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holds shares as on the Cut-off Date i.e. Wednesday, August 19, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or sandip.pawar@linkintime.co.in.
6. The voting rights of members shall be in proportion to the number of shares held by the member as on the Cut-off Date, i.e. Wednesday, August 19, 2020.
7. The process and manner for remote e-voting are as under:
How do I vote electronically using NSDL e-voting system?
The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:
Step 1: Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com/>
Step 2: Cast your vote electronically on NSDL e-voting system.

Details on Step 1 is mentioned below:

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholders/Members' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the company. For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in "**Process for those members whose email-IDs are not registered.**"
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) Click on "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
- 7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
- 8. Now, you will have to click on “Login” button.
- 9. After you click on the “Login” button, Home page of e-voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After clicking on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for members:

1. Institutional/corporate members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authority letter, etc. alongwith attested specimen signature of the duly authorized signatory(ies), authorizing its representative to attend the AGM through VC/OAVM facility on its behalf and to vote through remote e-voting, to the Scrutinizer by e-mail through its registered e-mail ID to jbbhave@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the 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 the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in, or contact Mr. Amit Vishal, Senior Manager or Ms. Pallavi Mhatre, Manager, National Securities Depository Limited, Trade World, ‘A’ Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013, at the designated email IDs: evoting@nsdl.co.in or AmitV@nsdl.co.in or pallavid@nsdl.co.in or at telephone nos.: +91-22-24994360 or +91-22-24994545 who will also address the grievances connected with the voting by electronic means. Members who need assistance before or during the AGM, can also contact on the above-mentioned details.
4. The Board has appointed Mr. Jayavant Bhawe, Proprietor, J. B. Bhawe & Co., Practising Company Secretaries (Membership No. – F4266), as the Scrutinizer to scrutinize e-voting process in a fair and transparent manner.
5. The Chairman will, at the end of discussion on the resolutions on which voting is to be held, allow e-voting for all those members who are present at the AGM and who have not cast their votes by availing the remote e-voting facility.
6. The Scrutinizer shall after the conclusion of e-voting at the AGM, first download the votes cast at the AGM and thereafter, unblock the votes cast through remote e-voting and shall make a Consolidated Scrutinizer’s Report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by her, within 48 (forty-eight) hours from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.
7. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company at www.birlasoft.com and on the website of NSDL at www.evoting.nsdl.com immediately after the declaration of result by

the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchanges where the shares of the Company are listed.

Process for those members whose e-mail IDs are not registered with the depositories for procuring user ID and password and registration of e-mail IDs for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical form, please provide Folio No., name of member, scanned copy of the share certificate (front and back), PAN (self- attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to sandip.pawar@linkintime.co.in.
2. In case shares are held in demat form, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to evoting@nsdl.co.in.

Instructions for members for e-voting on the day of the AGM are as under:

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The Helpline details of the persons who may be contacted by the member needing assistance with the use of technology, before or during the AGM shall be the same persons mentioned for remote e-voting and reproduced hereunder for convenience:
 - a) Mr. Amit Vishal, Senior Manager, NSDL at the designated email ID: evoting@nsdl.co.in or AmitV@nsdl.co.in or at telephone number: +91-22-24994360;
 - b) Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: evoting@nsdl.co.in, pallavid@nsdl.co.in or at telephone number: +91-22-24994545.

Instructions for members for attending the AGM through VC/OAVM facility are as under:

1. Member will be provided with a facility to attend the AGM through VC/OAVM facility through the NSDL e-voting system. Members 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. Please note that the members 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 above to avoid last minute rush. Further, members can also use the OTP based login for logging into the e-voting system of NSDL.
2. Members are encouraged to join the AGM through laptops for better experience.
3. Further, members will be required to allow camera and use internet with a good speed to avoid any disturbance during the AGM.
4. Please note that participants 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 a stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
5. Facility to join the AGM through VC/OAVM shall be opened 20 (twenty) minutes before the scheduled time of the AGM and shall be kept open for the members throughout the proceedings of the AGM, on first-come-first-served basis principle.
6. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail ID mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at vikas.jadhav@birlasoft.com from August 10, 2020 (09:00 a.m. IST) to August 20, 2020 (05:00 p.m. IST). Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Birlasoft's Global Presence

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SEZ Premises

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Phone: +91-44-22502371
+91-44-61432000

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Kundalahalli Village, Kr Puram Hobli,
Whitefield, Bengaluru,
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México, CP 06500

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andar – Cerqueira Cesar
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Cep 50.030-010 –
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South Africa

BDO Building, Wanderers Office Park
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South Korea

A-410-1, 410-2, SAMHWANHIPEX,
Sampyung-Dong, 240, Pangyoyeok-ro,
Budang-gu, Seongnam-si,
Gyeonggi-do 13493, Korea.

United Arab Emirates

Dubai Airport Free Zone Area,
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Level 32, Menara Allianz Sentral
203 Jalan Tun Sambanthan
50470 Kuala Lumpur,
Wilayah Persekutuan, Malaysia.

Netherlands

Siriusdreef 17 – 27,
2132 WT Hoofddrop, Netherlands.

Poland

ul. Zwycięska 45 53-033, Wrocław, Poland.

Switzerland

C/O RSM Switzerland AG; Leutschenbach-
strasse 45, Zürich, Switzerland CH-8050.

Sweden

C/O AddControl Consulting AB,
Wallingatan 38, S-111 24 Stockholm.