

February 6, 2021

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: - Investor update for Q3 FY 2020-21

Dear Sir / Madam,

Please find enclosed the investor update for Q3 FY 2020-21.

Kindly take this on your record.

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

Tel: +91 20 6652 5000 | Fax +91 20 6652 5001 | contactus@birlasoft.com | www.birlasoft.com

CIN: L72200PN1990PLC059594

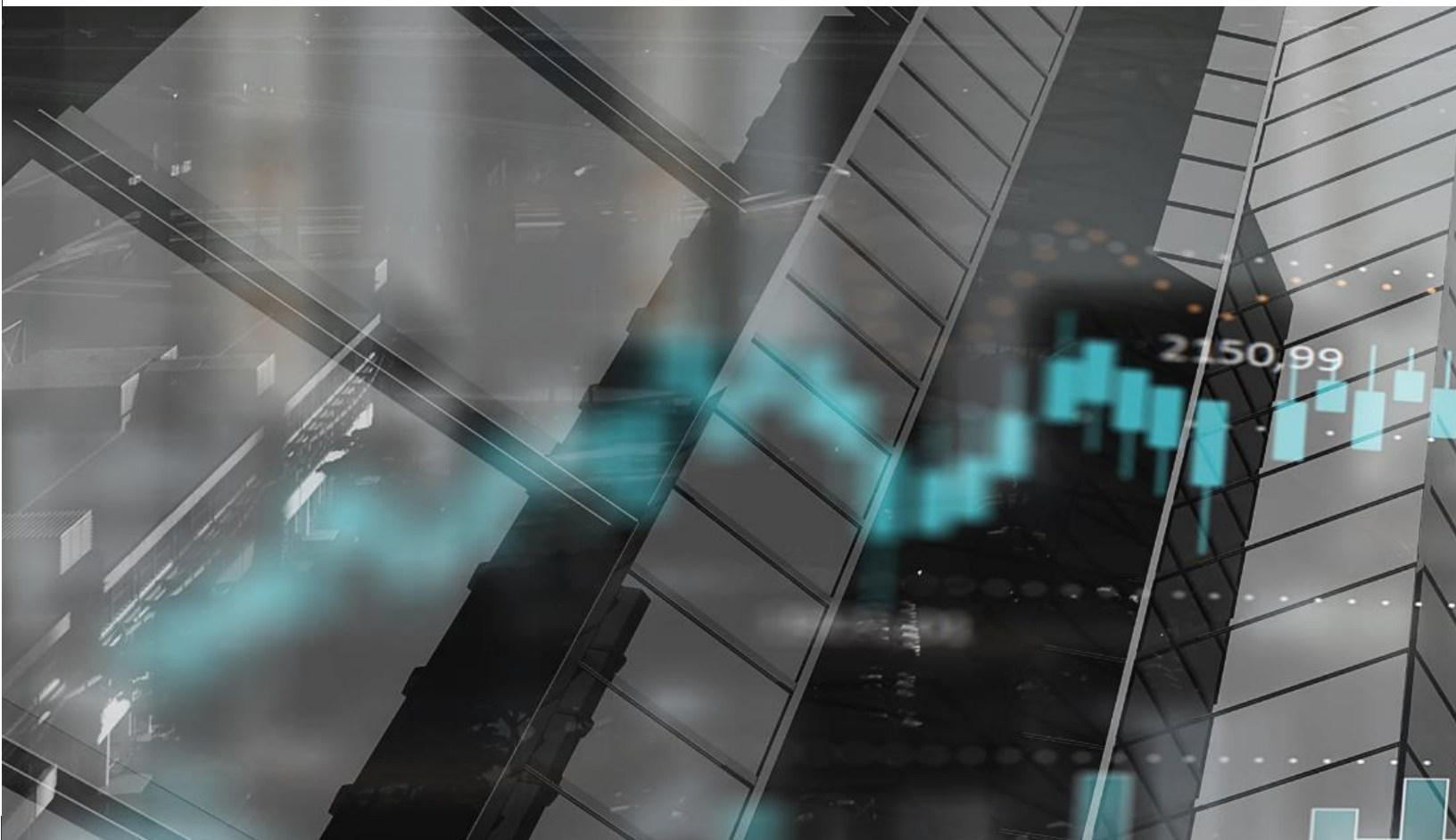


Investor update

Q3 FY 2020-21

 CK BIRLA GROUP

birlasoft



Q3 PAT at ₹ 964 M; up 39.4% QoQ

EBITDA at 16.4%, up 34.4% YoY; \$ Revenue, up 3.3% QoQ

Pune, Noida (India), February 6, 2021: Birlasoft [BSE: 532400, NSE: BSOF], a part of the USD 2.4 billion diversified **CK Birla Group**, reported its unaudited consolidated financial results for the third quarter ended December 31, 2020.

Dharmender Kapoor, Chief Executive Officer and Managing Director, Birlasoft, said, *“Birlasoft has delivered a strong financial performance in Q3 FY’21 and has hit the 15% EBITDA margins, earlier than planned. With a clear focused strategy on customer centricity and aligning our sales and delivery in key accounts, we have been able to show a ~20% YoY growth in our top accounts. With the markets showing a steady improvement, our strategic investments in our digital transformation and cloud strategies are starting to pay off with new deal wins. Recognition for our brand from industry analysts and other esteemed forums reinstate our belief that we are heading in the right direction.”*

Key Financial highlights for Q3 FY21

in USD

- Revenue at \$119.5 M, up 2.3% YoY and 3.3% QoQ
- EBITDA at \$19.6 M, up 30% YoY and 21.6% QoQ
 - Margin at 16.4%; up 350 bps YoY and up 247 bps QoQ
- PAT at \$13.1 M; up 28.3% YoY & 40.3% QoQ

in INR

- Revenue at ₹ 8,808 Million (M), up 5.7% YoY and up 2.7% QoQ
- EBITDA at ₹ 1,444 M, up 34.4% YoY & 20.9% QoQ
- PAT at ₹ 964 M up 32.6% YoY and 39.4% QoQ
 - PAT margin at 10.9%; up 222 bps YoY and up 288 bps QoQ

Other Highlights

- Signed deals of TCV \$ 109 M during the quarter
- Active Client Count at 295, down 86 YoY and down 15 QoQ
 - \$ 5 M customer at 21; up by 6, YoY
 - \$ 10 M customer at 9; up by 3 YoY
- Cash & equivalents at \$ 138.3 M (₹ 10,108 M), vs \$124.3 M in Q2; up \$14 M QoQ
- DSO of 57 days, down by 8 days YoY and 1-day QoQ
- Birlasoft has switched to the New Tax regime in Q3 for FY 21
 - Effective Tax Rate (ETR) improved 250 bps QoQ
- Manpower strength of 10,399 as at 31st December 2020 versus 10,010 in Q2'FY21
 - Added 389 professionals QoQ
 - Attrition at 10.9% in Q3' FY21 versus to 20.3% in Q3'FY20 & 11.4% in Q2'FY21

Deal Wins for the Quarter

- Selected by a leading US Medical Technology Company for Optimizing its Program Management Centre.
- Won a Managed Services deal from US Auto Major.
- Chosen by a US Healthcare major for providing Master Data Management services using Data-as-a-service (DaaS) model.
- Selected by a Medical equipment major to implement SAP Hybris which would help enhance its customer experience and support global customer and dealer interface portal.
- Selected by a Global Auto Major to upgrade, implement and support the Oracle R12 stack.
- Chosen by a leading Global Business Process Services Company deal for implementation of Enhanced Technical Information Management System and integration of warranty system.
- Selected by a Depository Major for Application Modernization Services.
- Awarded by a Global Rating agency deal for Enterprise Risk Solution and Analytics services.

Business Highlights & Recognition

- Birlasoft was recognized as India's Most Admired & Valuable Power Brand Company for the year 2020, at the India Leadership Conclave & Awards 2020.
- Birlasoft named one of the Booming 15 (Global Market) in the 4Q20 Global ISG Index™. Birlasoft has been featured in the Global ISG Index for three times, this fiscal year.
- Birlasoft teams up with Esker, a worldwide leader in AI-driven process automation solutions and pioneer in cloud computing, to offer Esker's comprehensive suite of Procure-to-Pay (P2P) and Order-to-Cash (O2C) automation solutions to enterprises globally.
- Birlasoft and Incorta have entered into a partnership to help organizations transform voluminous data into actionable insights with high speed and accuracy. The partnership enables access to data from across organizations and a streamlined ERP journey for faster, smarter and more valuable business insights
- Birlasoft and Namaste Credit have partnered to help bank and non-bank lenders digitally transform their operations with AI-driven solutions that automate onboarding, underwriting and risk monitoring

- Birlasoft receives SABERA 2020 Award for its community-benefiting Initiative - Project Shodhan. Project Shodhan was set up in 2017 with the **aim of achieving zero crop residue burning** in the villages of Indian states of Punjab, Haryana, Uttar Pradesh, and Rajasthan. In four years, the initiative has covered 61 villages and 53,000 acres of agricultural land in these "wheat bowl states". **This is the third time in a row that Project Shodhan has been acknowledged** and appreciated by the SABERA jury members.

About Birlasoft

Enterprise to the Power of Digital™

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 multibillion dollar diversified The **CK Birla Group**, Birlasoft, with its 10,300+ professionals, is committed to continuing its 158-year heritage of building sustainable communities

For further information, visit www.Birlasoft.com

Contacts:

<p>Vikas Jadhav Investor Relations +91 9545450975 vikas.jadhav@birlasoft.com</p>	<p>Suma Nair Media Relations +91 9833084449 Suma.Nair@birlasoft.com</p>
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Disclaimer

Some of the statements in this update that are not historical facts are forward-looking statements. These forward-looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry.

FACT SHEET

Q3 FY 2020-21

**Rev Growth
3.3% QoQ**

**Q3 EBITDA
16.4%**

**Q3 Deal wins
TCV \$ 109 M**

Key Metrics

Revenues by

Client Geography	Quarter Ended				
	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21
Americas	79.6%	81.6%	74.6%	77.1%	78.3%
Europe	10.6%	8.7%	14.9%	13.3%	13.0%
Rest of the World	9.8%	9.7%	10.5%	9.6%	8.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by Industry Verticals	Quarter Ended				
	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21
Manufacturing	43.3%	40.7%	38.4%	42.3%	42.1%
BFSI	18.8%	17.1%	17.4%	18.7%	18.7%
Energy & Utilities	18.3%	17.0%	15.5%	15.1%	14.8%
Lifesciences	19.6%	25.2%	28.8%	24.0%	24.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by Service Offerings	Quarter Ended				
	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21
Integrated Enterprise Solutions (IES)	32.6%	32.3%	31.6%	32.3%	31.4%
SAP	16.8%	16.2%	13.5%	13.7%	13.0%
Digital Transformation (DT)	27.7%	26.9%	26.0%	34.7%	33.6%
Emerging Horizontals	23.0%	24.5%	28.9%	19.3%	22.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenues by Contract Type	Quarter Ended				
	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21
Time & Material	53.3%	52.5%	47.8%	45.8%	42.3%
Fixed Price, Fixed Monthly	46.7%	47.5%	52.2%	54.2%	57.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenues Mix *	Quarter Ended				
	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21
Onsite	58.2%	58.9%	56.0%	55.7%	55.3%
Offshore	41.8%	41.1%	44.0%	44.3%	44.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

* Q1 & Q2 FY21 numbers have been re-classified

Deal Wins - New	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21
Total Contract Value (TCV) - in \$ Mn	278	67	89	120	56

Currency Mix of Revenue	Quarter Ended				
	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21
USD	78.2%	77.6%	76.2%	77.2%	78.5%
GBP	2.5%	1.5%	0.8%	1.6%	1.5%
EUR	6.3%	6.0%	10.9%	9.0%	8.4%
Others	13.0%	14.9%	12.1%	12.3%	11.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Exchange Rate (INR/USD)	Quarter Ended				
	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21
Period Average	71.33	72.24	75.44	74.16	73.73
Period End	71.27	75.39	75.53	73.79	73.07

Client Data	Quarter Ended				
	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21
No of Active Clients	381	378	356	310	295
Clients added - QoQ	-	(3)	(22)	(46)	(15)
No of million \$ clients (LTM)					
US\$ 1mn+ Clients	85	86	85	81	81
US\$ 5mn+ Clients	15	17	17	20	21
US\$ 10mn+ Clients	6	7	8	9	9
Client Contribution to Revenue (LTM)					
Top 5	28.0%	28.1%	30.6%	31.9%	32.9%
Top 10	38.4%	40.1%	42.5%	44.1%	45.0%
Top 20	50.8%	53.3%	55.8%	58.5%	59.7%

LTM - last twelve months

Hedge Book	Quarter Ended				
	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21
USD mn	82.8	89.3	55.1	70.4	73.0
Average rate in INR	72.9	73.7	75.1	76.0	76.3
GBP Mn	1.0	1.1	0.9	0.9	1.1
Average rate in INR	92.3	95.3	97.5	98.3	99.9
Euro Mn	4.0	5.3	5.6	5.0	5.8
Average rate in INR	82.8	83.3	84.9	87.3	89.0

Headcount Metrics	Quarter Ended				
	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21
Total Headcount	10,129	10,268	9,908	10,010	10,399
Technical	9,046	9,168	8,865	8,992	9,416
Sales & Support	1,083	1,100	1,043	1,018	983
Women Employees	2,240	2,306	2,208	2,215	2,331
Attrition (LTM)	20.3%	18.9%	16.5%	11.4%	10.9%
Utilization	-	80.9%	78.2%	83.7%	85.6%

Consolidated Income Statement for quarter ended December 31, 2020

Particulars	In \$ M			QoQ	YoY	
	Quarter Ended	31-Dec-19	30-Sep-20			31-Dec-20
		Unaudited	Unaudited			Unaudited
Revenue from operations		116.8	115.6	119.5	3.3%	2.3%
Expenses						
Employee benefits expense		69.9	70.5	71.3		
Other expenses		31.8	29.0	28.6		
EBITDA		15.1	16.1	19.6	21.6%	30.0%
<i>EBITDA Margin %</i>		12.9%	13.9%	16.4%	247	350
Depreciation & amortization		2.8	2.8	2.7		
EBIT		12.2	13.3	16.8	26.6%	37.5%
<i>EBIT Margin %</i>		10.5%	11.5%	14.1%	260	362
Other income (net)		2.5	0.9	2.1		
Finance costs		0.6	0.5	0.4		
Profit before tax (PBT)		14.2	13.7	18.5	35.3%	30.7%
Provisions for Tax		4.0	4.4	5.5		
Profit after Tax		10.2	9.3	13.1	40.3%	28.3%
<i>PAT Margin %</i>		8.7%	8.1%	10.9%	288	222

Particulars	In ₹ M			QoQ	YoY	
	Quarter Ended	31-Dec-19	30-Sep-20			31-Dec-20
		Unaudited	Unaudited			Unaudited
Revenue from operations		8,332.9	8,574.6	8,807.8	2.7%	5.7%
Expenses						
Employee benefits expense		4,987.7	5,230.5	5,254.3		
Other expenses		2,270.6	2,149.4	2,109.1		
EBITDA		1,074.5	1,194.6	1,444.4	20.9%	34.4%
<i>EBITDA Margin %</i>		12.9%	13.9%	16.4%	247	350
Depreciation & amortization		200.9	208.1	202.4		
EBIT		873.7	986.5	1,242.0	25.9%	42.2%
<i>EBIT Margin %</i>		10.5%	11.5%	14.1%	260	362
Other income (net)		178.1	64.3	155.9		
Finance costs		40.4	34.8	31.6		
Profit before tax (PBT)		1,011.3	1,016.0	1,366.3	34.5%	35.1%
Provisions for Tax		284.6	324.8	402.4		
Profit after Tax		726.7	691.2	963.9	39.4%	32.6%
<i>PAT Margin %</i>		8.7%	8.1%	10.9%	288	222

Consolidated Balance Sheet Statement

Particulars as at	in \$ M			in ₹ M		
	31-Mar-20 (Audited)	30-Sep-20 (Unaudited)	31-Dec-20 (Unaudited)	31-Mar-20 (Audited)	30-Sep-20 (Unaudited)	31-Dec-20 (Unaudited)
ASSETS						
Non-current assets						
Property, plant and equipment	19.0	18.0	16.9	1,434.3	1,331.6	1,236.2
Right-to-use assets	18.4	17.3	16.3	1,389.4	1,272.9	1,193.5
Goodwill	60.2	61.2	61.8	4,541.5	4,514.0	4,514.2
Other intangible assets	2.2	1.8	1.5	168.2	129.4	112.5
Financial assets						
Loans & advances	2.0	1.9	2.0	147.4	143.5	145.0
Other financial assets	0.5	7.0	0.2	34.8	513.4	13.4
Income tax assets (net)	12.7	7.5	7.5	957.8	552.1	545.4
Deferred tax assets (net)	15.9	15.9	13.5	1,200.1	1,174.6	988.3
Other non-current assets	1.5	0.7	1.0	115.4	52.9	73.5
Current assets						
Financial assets						
Investments	4.4	4.1	8.2	330.0	300.6	600.6
Trade receivables	98.2	74.5	78.9	7,401.9	5,498.9	5,762.8
Cash and cash equivalents	59.6	54.6	68.0	4,495.7	4,030.2	4,969.4
Other balances with banks	23.9	58.7	62.0	1,805.4	4,331.6	4,526.9
Loans & advances	0.3	0.3	0.4	21.4	19.1	31.9
Unbilled revenue	9.8	13.0	12.9	737.7	962.4	943.4
Other financial assets	4.7	5.9	7.1	355.7	434.9	518.5
Other current assets	23.0	32.8	38.1	1,736.7	2,417.3	2,784.8
TOTAL ASSETS	356.5	375.1	396.3	26,873.3	27,679.3	28,960.4

Particulars as at	in \$ M			in ₹ M		
	31-Mar-20 (Audited)	30-Sep-20 (Unaudited)	31-Dec-20 (Unaudited)	31-Mar-20 (Audited)	30-Sep-20 (Unaudited)	31-Dec-20 (Unaudited)
EQUITY AND LIABILITIES						
Equity share capital	7.3	7.5	7.6	553.4	554.2	554.2
Other equity	243.7	264.4	277.1	18,370.8	19,509.0	20,249.4
Liabilities - Non-current						
Financial liabilities						
Lease liabilities	15.1	14.5	13.7	1,139.7	1,069.3	999.5
Other non current liabilities						
Provisions	9.2	11.1	11.2	695.3	815.9	815.9
Current liabilities						
Financials Liabilities						
Borrowings	-	-	-	-	-	-
Trade payables	25.3	20.9	17.8	1,903.7	1,544.4	1,299.3
Lease liabilities	4.1	3.9	3.9	310.6	288.4	282.5
Other financial liabilities	25.6	23.2	24.4	1,931.5	1,715.5	1,782.8
Other current liabilities	15.8	18.1	29.2	1,190.2	1,339.1	2,134.0
Provisions	2.6	3.0	3.7	194.7	218.8	270.2
Income tax liabilities (net)	7.7	8.5	7.8	583.3	625.0	572.5
TOTAL EQUITY AND LIABILITIES	356.5	375.1	396.3	26,873.3	27,679.3	28,960.4

Consolidated Cash Flow Statement for Q3 FY21

Cash Flow Statement for Q3 FY21	₹ M
Profit before tax	1,366.3
Add: Non cash Items	-
Depreciation of PPE & amortization intangibles	202.4
Share based compensation expenses	28.9
Allowance for doubtful debts-trade receivables (net)	93.4
Unrealized foreign exchange loss/ (gain)	(34.7)
Interest on lease liabilities	26.5
Less: Interest & other items	-
Interest income	(67.9)
Others	(2.7)
Cash Profit for Q3 FY' 21	1,612.2
Movements in working capital	415.8
Cash Generated from Operations (CFO)	2,028.0
Income tax (paid) / received	(261.8)
Net cash flow (used in)/from investing activities	(240.3)
Net cash flow (used in) financing activities	(379.4)
Total Increase/(Decrease) in cash balance	1,146.5
Opening cash balance as on Sept 30, 2020	8,361.8
Forex fluctuations - gain / (loss)	(11.9)
Total Net Cash balance as at Dec 31, 2020	9,496.4

Q3 Earnings Conference Call on 6th February 2021 at 8.00 p.m. (IST)

Dial in Information

India 20:00 IST. Hong Kong / Singapore – 22:30; London 14:30; New York 9:30 am

Universal Dial In	+91 22 6280 1179 +91 22 7115 8840	Local Dial In - all over India +91 7045671221
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Playback Start Date:	6 th Feb 2021	Playback Code: 00803
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