KPIT

August 02, 2023

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

Scrip ID: KPITTECH
Scrip Code: 542651

Kind Attn: The Manager,
Department of Corporate Services

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

Symbol: KPITTECH
Series: EQ

Kind Attn: The Manager,
Listing Department

Subject: - 6th Annual Report of the Company for FY 2022-23

Dear Sir / Madam,

Pursuant to provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the 6th Annual Report of the Company i.e., KPIT Technologies Limited for FY 2022-23. The same is available on the website of the Company at www.kpit.com.

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

Thanking you,

Yours faithfully,

For **KPIT Technologies Limited**
DESHPANDE NIDA YUNUS
Digitally signed by DESHPANDE NIDA YUNUS
Date: 2023.08.02 19:38:11 +05'30'
Nida Deshpande
Company Secretary & Compliance Officer

Encl: as above

KPIT Technologies Limited
Registered & Corporate Office: Plot No. 17, Rajiv Gandhi Infotech Park, MIDC-SEZ,
Phase-III, Maan, Taluka-Mulshi, Hinjawadi, Pune-411057, India.
CIN: L74999PN2018PLC174192

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KPIT

A SUSTAINABLE FUTURE POWERED BY SOFTWARE DEFINED VEHICLES

ANNUAL REPORT 2022-23

Inside the Report

Corporate Overview

Statutory Reports

Financial Statements

For more information about the Company, visit:

www.kpit.com

or scan the QR code

To attend 6th Annual General Meeting via video conferencing and to e-vote, the Members are requested to follow the instructions provided in the Notice.

Cut-off date:
Tuesday, August 22, 2023

Remote e-Voting Period:

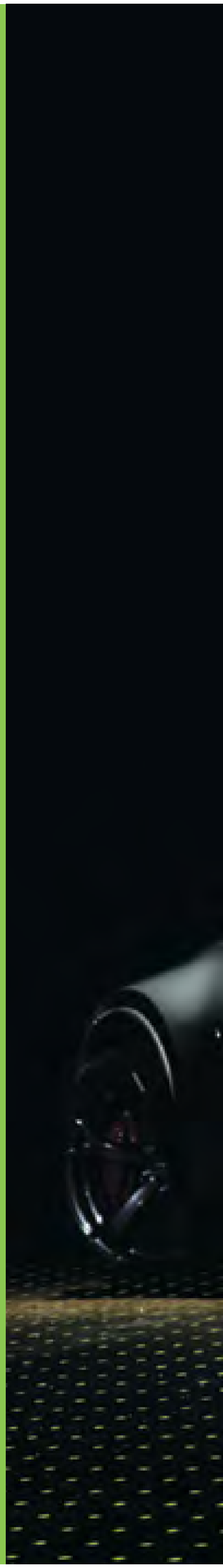
1. Thursday, August 24, 2023 at 9.00 a.m. to Monday, August 28, 2023 at 5.00 p.m.
2. During the AGM

Read this Annual Report online

www.kpit.com

6th Annual General Meeting
Tuesday, August 29, 2023
3.00 p.m. IST

Video conferencing and e-voting:
Click on "VC/OAVM" link placed under "Join Meeting" in NSDL e-Voting system.



The automotive industry is in a state of constant evolution – redefining its role in the face of shifting customer preferences and global sustainability goals. With our extensive experience of over two decades in the mobility sphere, we aim to enable the transformation of the mobility ecosystem through software defined vehicles (SDVs).

In light of the evolving operating environment, we recognise the need for mobility players to invest prudently in advanced technologies to develop smarter, safer, and more intelligent mobility solutions. To this end, we help leading automotive players inculcate a range of technologically advanced features such as advanced driver assistance systems, connectivity, and autonomous capabilities.

These solutions support OEMs in a dynamic business environment and help minimise the carbon footprint of the automobile industry. It has not only accelerated the transition towards a greener and digitally empowered future, but also enabled us to transform traditional vehicles into smart, connected, and eco-conscious SDVs.

Leveraging our collaborations with global industry leaders to bring expertise in the areas of Feature Development and Integration, Architecture Consulting and Middleware and Cloud-based connected services, we aspire to redesign the future mobility roadmap. With a paradigm shift in auto manufacturing, the growth of autonomous and electric vehicles is on the rise. Ensuring flexibility, user convenience, greater adaptability and performance –

we are taking strides to make sustainable mobility a reality, to reimagine established practices and to turn a new page in the mobility ecosystem.

Reimagining mobility

Over the past two decades, KPIT has helped reimagine mobility with its global scale and technological expertise. We have emerged as an independent software integration partner for global automotive players and established an expansive footprint around the world.

We collaborate with industry leaders in the automotive and mobility sectors to make software-defined vehicles a reality. With our specialisation in embedded software, artificial intelligence and digital solutions, we help clients deploy next-generation technology to strengthen the future mobility roadmap.

Our commitment to environmental sustainability has enabled us to develop solutions that help organisations reduce their carbon footprint and lay the foundation for a cleaner, smarter and safer future. Through our focus on innovative solutions, we have earned the trust of our valued patrons, which has empowered us to play a prominent role in transforming the mobility ecosystem.

Vision

Reimagining mobility with YOU for creation of a cleaner, smarter and safer world.

In focus

11,000+
Automobelievers

25
Centres of excellence

68
Patents granted

25+
Different nationalities

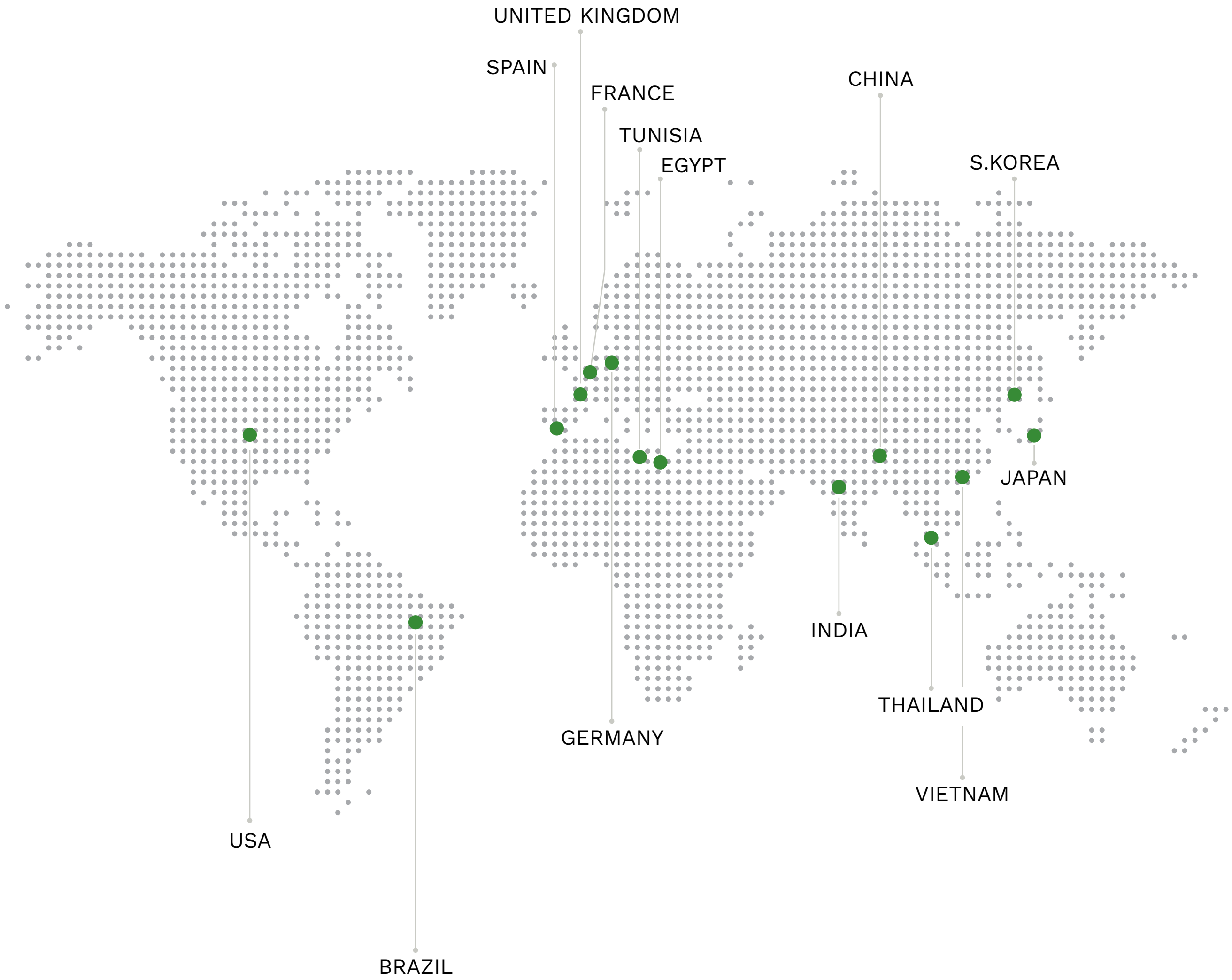
500+
Production programme experience

75+
Platforms, Tools and Accelerators

25+
OEMs/Tier I strategic partners

10+ Mn
Vehicles on road with KPIT software

Our global footprint



Map not to scale. Only for representation purpose

Chairman's message

Today, KPIT is home to over 11,000+ dedicated Automobelievers across the globe, with a presence in 13 countries, including Centres of Excellence across India (Pune, Bengaluru, Kochi), the EU, the USA, Brazil, Thailand, China and Japan.

Dear shareholders,

It is always a pleasure to converse and share my thoughts with you through this annual letter. In this letter, I would like to take a look at the way the world of mobility is transforming and your Company's place in this brave new world-to-be.

Standing at an extraordinary juncture in human history

Two hundred and fifty years of the industrial revolution have brought unimaginable prosperity to humanity. Major breakthroughs have facilitated the availability of essentials such as good food and healthcare for the vast majority, leading to increased longevity and a higher standard of living for a large part of humanity. Hundreds of millions are coming out of the curse of poverty in China and India. Today, most of the world is enjoying a better quality of life than ever since our ancestors got down from the trees.

But the same industrial revolution has disturbed our ecology, destroyed our diversity, increased the temperature, triggered calamitous events and brought human existence on this beautiful planet to the threshold of destruction.

Now, we are at a juncture where we must manage sustainability in all its dimensions – social and economic, so that no part of humanity gets left behind; and environmental, so that we can live in harmony with nature.

The world of mobility

Mobility, the facet of human life in which your Company operates, faces this dilemma in all its aspects.

The history of human progress is the history of mobility. Mobility has led the progress of humanity; from the days our ancestors got down from trees and started walking on hind legs, to walking out of Africa, covering the entire world, sailing the seas and soaring in the skies, to touching the depth of the seas and the edge of outer space.

This mobility has brought unimaginable success and prosperity to the world. It has also had a huge impact on sustainability. Today, transportation constitutes roughly 16% of global CO_2 generation. It accounts for the largest usage of fossil fuels, mining for various materials, and creating waste that the world has to carry forward across generations.

Just as other aspects of human endeavours are on the cusp of transformation, so is the world of mobility. And your Company is an active participant in this transformation story worldwide.

So, what is changing in the world of mobility?

Today, the world of mobility is undergoing the greatest transformation of the past hundred years since Henry Ford brought Model T to the world in 1919 and made cars affordable to the masses. It is transforming in every aspect: from fossil fuels to renewable energy, from human-driven to fully autonomous, from just a mode of transport to an extremely comfortable hub of connectivity in an increasingly interconnected world.

Not only that, but the economic architecture of the industry is changing as well. The automotive industry, facing stagnant sales in most of the developed world, is now desiring to change its relationship with the customer. Rather than being a one-time transaction, the vehicle sale would be the beginning of a long-term relationship with continuous upgrades for the vehicle throughout its life.

All this means that the vehicle is not a piece of hardware anymore. It's a living entity that brings in new functionalities throughout its life and rejuvenates itself. It uses minimum energy when it is built, recycles most of its parts when it morphs into a new vehicle, and emits minimum CO_2. It can take in energy, i.e., charge its battery, when adequate renewable energy is available, and exhale the energy back into the grid when required. In the new business model, the user doesn't have to make a one-time purchase and pays for the usage rather than the asset itself.

These are some of the fundamental changes that are happening in the world of mobility. This beautiful transformation is aimed at making mobility sustainable. How can we ensure that the need for mobility for our goods and human beings is satisfied without emitting more CO_2 into the air, destroying the environment and damaging our diversity?

The answer is to make the car more intelligent and responsive to the environment. All of this is encapsulated in three beautiful words: Software-Defined Vehicles (SDVs).

As the words suggest, this transformation is driven by software; and your Company is an integral part of the industry driving this transformation. With our Vision 'Reimagining Mobility with You for Creation of a Cleaner, Smarter and Safer World', we have clearly stated our objective for the world. Our Mission Statements classify our vision into four broadly defined Goals, as follows:

- Becoming the leading Company in PRACTICES and PLATFORMS business
- Delivering ZERO DEFECT DELIVERY
- Being the BEST PLACE to Grow
- Having strategic relationships with our T25 CLIENTS

> "The industry's performance, the strong growth we have been able to achieve is commendable as well as encouraging. I am pleased to share that we recorded industry-leading growth, wherein the total revenue from operations stood at ₹ 33,650 million (USD 418 million), marking a 37% constant currency growth."

By pursuing these Missions, we will create value by nurturing a CULTURE OF EXCELLENCE across the organisation.

Today, KPIT is home to over 11,000+ dedicated Automobelievers across the globe, with a presence in 13 countries, including Centres of Excellence across India (Pune, Bengaluru, Kochi), the EU, the USA, Brazil, Thailand, China and Japan. Our Practices- Autonomous Driving/ ADAS, Propulsion, eCockpit and Connectivity, new-age Vehicle Engineering and Design, Cloud and Virtualisation, Predictive Diagnostics and Maintenance, Functional Consolidation in Body Electronics, and Common Middleware for new E/E Architecture- are aligned to support the SDV transformation. This allows us to build trusted partnerships with major global OEMs and Tier 1 and collaborate with all the major stakeholders throughout the ecosystem.

I am happy to report that this year, global giants like Renault and Honda have partnered with us to further their SDV transformation.

Our contribution to this transformation is well appreciated by the industry, as is evident by our robust growth. This year, too, we reported sustainable growth and margin expansion. We created better engagements and secured substantial deals with our key clients. During the year, we acquired Somit Solutions and Technica Engineering, the latter significantly deepening our engagement with our clients and enabling us to create a unique one-stop shop for the automotive industry.

Chairman's message contd...

The IT industry endured several turbulences during fiscal year 2023. Yet, given the industry's performance, the strong growth we have been able to achieve is commendable as well as encouraging. I am pleased to share that we recorded industry-leading growth, wherein the total revenue from operations stood at ₹ 33,650 million (USD 418 million), marking a 37% constant currency growth. The EBITDA for the year has been 18.9%, which demonstrates a 45% growth over last year. Our net profit for the year was reported at ₹ 3,810 million, up by 39% over the last year. Overall, our top-line as well as bottom-line growth has been healthy and we have been able to meet the expectations that we had put forth in our outlook for the year. Our consistent performance over the years has been richly rewarded by the financial markets. Sustaining this growth is what enables us to keep pursuing our vision of a cleaner, smarter and safer world.

Socially responsible

Our commitment to sustainability goes beyond the work that we do. We are also mindful of our social responsibilities and have always strived to make a positive change in society by contributing to its betterment. As part of our social activities, we have continued to organise specialised community development programmes focusing on education, clean energy, and a better environment.

However, rather than merely investing money and resources, we believe in also investing our time and efforts. Hence, along with these critical areas, we have continued to promote employee engagement for these social and environmental causes. Over four thousand employees have contributed their personal time and taken great efforts to make our initiatives a success, and I am grateful to them for their commitment and service to society.

In addition to these, through our educational initiatives such as Chhote Scientists, KPIT Sparkle, KPIT STEM Dialogue, KPIT Shodh, and more, we support education that allows us to change people's lives through science and technology.

Our consistent performance, high work ethic, and commitment to society and the environment have also earned us awards from the industry this year.

Looking ahead

Going forward, we believe that the future of mobility is already present, albeit unevenly distributed.

At KPIT, we are excited to be part of this evolution and embrace the opportunities it brings. With our robust operating and financial positions, a strategic roadmap and a highly engaged team, we are well on track for FY 2023-24 and beyond. We will keep unlocking further opportunities by leveraging our deep domain expertise and software competence.

On behalf of the team at KPIT, I want to thank our shareholders for their trust and cooperation throughout our journey. Your belief in our Company helps make it possible for us to do what we do best. I also want to extend my gratitude to our Board of Directors, whose guidance, passion, energy and strength propel us forward.

Sincerely yours,

S. B. (Ravi) Pandit
Chairman

"We believe that the future of mobility is already present, albeit unevenly distributed. At KPIT, we are excited to be part of this evolution and embrace the opportunities it brings. With our robust operating and financial positions, a strategic roadmap and a highly engaged team, we are well on track for FY 2023-24 and beyond. We will keep unlocking further opportunities by leveraging our deep domain expertise and software competence."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Letter from the CEO & MD and President & Joint MD

Dear shareholders,

As we reflect upon the fiscal year gone by, we are pleased to share the key highlights with you. It was a period marked by remarkable growth in revenue and profitability. As we celebrate these achievements, we remain very optimistic about what lies ahead.

We find ourselves in a stage of transition that has not been witnessed in the past century. Our clients, the Passenger Car and Truck Original Equipment Manufacturers (OEMs), are experiencing a profound shift in their business models, driven by a multitude of factors.

The urgent need to reduce greenhouse gas emissions and combat climate change has prompted the transition towards Zero Emission Vehicles (ZEVs). This paradigm shift is characterised by the widespread adoption of electric vehicles (EVs) and other zero-emission technologies. Additionally, the industry is embracing a circular economy model, aiming to minimise waste, optimise resource efficiency and foster sustainability. This entails re-evaluating product design, production processes, and end-of-life management with a focus on efficiency and effectiveness. These trends resonate deeply with us, as we are passionate about providing our clients with sustainable solutions.

At the core of the Mobility Industry's rapid transformation lies technology, especially software. Its pivotal role in this shift cannot be overstated. Today, the strategic growth of new-age businesses relies on their ability to adapt to the changing operating environment and effectively leverage software solutions.

For KPIT, our motto is to be a software Company that understands the needs of the Passenger Car and Truck OEMs better than any other player. This sets us apart as we solely focus on the Mobility Industry. Over the past few years, we have aligned our efforts with the fast-paced changes in our clients' business models. This has empowered us to contribute to the architectural development and problem-solving aspects of product development for our clientele.

As we embark on a progressive journey, our confidence stems from the convergence of two critical factors: the Industry's unprecedented transformation and our unwavering commitment to being a Trusted Partner to our clients.

Enabling sustainable mobility

Being a Trusted Partner to the OEMs, we, at KPIT, are helping them achieve their end goal. In response to the transformation in the Mobility Industry, we are also staying true and realising our Vision of 'Reimagining Mobility with you for the creation of a cleaner, smarter and safer world for all.' We continuously harness our core strengths to keep pace with a dynamic industry.

To realise our Vision of facilitating sustainable mobility, we have defined four mission statements:

1. Achieve leadership in Platforms and Practices;
2. Deliver Zero Defects;
3. Be the Best Place to Grow;
4. Nurture Strategic Relationships with T25 clients to support our vision.

By pursuing these goals, we aspire to create long-term value and foster a culture of excellence. To accomplish these objectives, we are also assisting clients in transitioning to a new mobility ecosystem that is constantly disrupted by technology megatrends.

We can gauge the impact of these trends on OEMs and help them adapt to the change by leveraging our deep domain knowledge of advancements in connected cars, autonomous vehicles, sharing and subscription models and electrification. Our expertise in high-entry barriers such as L3-L5 autonomous driving, electrification, intelligent cockpits, common middleware for new E/E architecture, cloud and connected technologies and new-age engineering design enables us to contribute to the transformation of the Mobility Industry and develop Software Defined Vehicle (SDV) solutions.

Building robust partnerships

As a transformational partner for our clients in the industry, our role extends beyond providing advice and recommendations. From the early stages of conceptualisation to the final execution, we help our clients chart their growth strategy. Through our innovative solutions, cutting-edge technologies and collaborative approach, we empower clients to navigate the evolving industry landscape and accomplish their desired results. We remain committed to bringing expertise and competence across three key aspects-

Domain-level transformation

We have the capabilities to drive transformation in multiple domains, including Advanced Driver Assistance Systems (ADAS), Connectivity, Electrification, eCockpit, Cloud, Virtualisation and many more. We assist our clients in embracing these domains by providing tailored solutions and services that cater to their specific requirements.

System-level transformation

We help define the architecture and its implications for the overall software strategy. This includes considering vital aspects such as cybersecurity and safety certification. By integrating cybersecurity measures and adhering to safety guidelines, we ensure the reliability and security of our clients' software and systems.

Integration and implementation

We understand the significance of seamless integration and efficient implementation for successful transformation. To achieve this, we leverage operational parameters such as Agile development, Continuous Integration/Continuous Deployment (CI/CD), DevOps practices, Virtualisation and Validation.

Bridging the strategy-execution gap by staying true to our goals

1. Achieve leadership in Platforms and Practices

At KPIT, we aspire to take the lead in practices and platforms. Leveraging our core offerings and corresponding

> "We aim to focus on the alignment and collaboration of practices to address client challenges with broader technological interventions. We are also committed to continuously build a robust competency framework leading to flawless execution of programs while we onboard the right talent across different pockets of the world."

Letter from the CEO & MD and President & Joint MD contd...

revenue and investments, we are enabling our clients to stay ahead of the technology curve. We have categorised our solutions into three groups to address the diverse needs of our clients:

- Feature Development and Integration (Electrification, Autonomous Driving and ADAS, Body Electronics and Vehicle Engineering and Design),
- Architecture and Middleware Consulting (Middleware, AUTOSAR),
- Cloud-based Connected Services (Intelligent Cockpit, Digital Connected Solutions and Vehicle Diagnostics).

During the fiscal year under review, we enhanced our competitive edge by welcoming SOMIT and Technica to our family.

SOMIT is a Cloud- based vehicle diagnostics specialist that has created a niche in the challenger Electric Vehicle OEM segment. Its cloud-based platform complements our existing after-sales platform to offer a more integrated solution for our T25 clients. As OEMs now aspire to generate revenue throughout the lifecycle of a vehicle, with SOMIT, we are aiming to enable our OEM clients to realise this strategic objective. Importantly, we believe this will be one of the fastest-growing market opportunities in the next three to five years.

Technica is a pioneer in automotive Ethernet Integration and its unrivalled command over automotive networks is well-acclaimed. With Technica Engineering, we will be strengthening the value and scale of operations across the stack. We have gained access to leading disruptor mobility tech businesses and also have common strategic clients who will benefit from this.

During the reporting year, we participated in prestigious events including CES, The Future Today Summit 2022 and ELIV Market Place 2022. These events served as platforms for showcasing our thought leadership and engagement with the industry. We are also pleased to share that our articles got featured in prominent publications, including dSPACE magazine and HANSERautomotive.

Additionally, the ET Ascent Business Leader Awards recognised us as the 'Most Admired Company of the Year' from 30 different sectors and industries across India. This accolade is a tribute to our team members' concerted efforts, who strive for excellence in everything they do.

2. Deliver Zero Defect

As we work on some critical and complex programs, it is absolutely essential that we do a great job of not only meeting but also exceeding the expectations of our clients. We assess the Client Experience at two levels:

1. A quarterly Client Satisfaction (CSAT) score that focuses on a project and program level,
2. An in-person Voice of the Client (VoC) to understand their experience at an overall relationship level.

3. Be the Best Place to Grow

We endeavour to offer a conducive working environment for talent to grow and thrive. Given the type of cutting-edge work we do, the development of technical and domain competence is of utmost importance to us. We refresh our programs periodically to ensure that we remain on top.

Employee Satisfaction (ESAT) is an important indicator of our people's involvement and satisfaction at work. We are delighted to share that during the fiscal year, our ESAT score has consistently improved and stood at an impressive 4.3, which is the highest it has ever been. It is also worthwhile to note that we achieved a participation rate of 95% in the survey.

Apart from that, we have been working diligently to effectively communicate our vision of 'enabling sustainable mobility' to our personnel. By conveying this, we hope to provide them with a sense of purpose and excitement about their contributions. This year we conducted a survey with our team members, which revealed that over 80% of them wanted to contribute to a more sustainable future.

Throughout the course of FY23, we also worked on developing the managerial and leadership competence of our employees. We have conducted internal as well as external trainings with some world-renowned institutes for a wider group of participants. We are nurturing a culture of continuous learning and development by increasing participation in these trainings. By equipping our people with these core competencies, we are better positioned for success in a dynamic and competitive market.

4. Nurture strategic relationships with T25 clients

Throughout our journey, we have forged strong connections with our strategic clients. During the fiscal year, we collaborated with two of our most valuable T25 clients: Renault and Honda.

Renault has chosen us as their strategic partner to scale their next-generation software-defined vehicle platform. This alliance with Renault marks a huge milestone for us, paving the way for extensive, long-term engagements in the years to come.

Similarly, Honda announced a partnership with us for developing their software to define a mobility roadmap over the next ten years. With over 2000 of our engineers dedicated to Honda's software-defined vehicles, we are poised to drive their SDM roadmap well into 2030 and beyond.

We feel honoured by the trust bestowed upon us by such global leaders as we eagerly anticipate reimagining mobility together.

In addition, this year commemorates our remarkable 20-year partnership with Cummins and our 10-year partnership with PACCAR. Our journeys together have been defined by breakthrough technological innovation, consistent performance, delivery agility and engineering excellence. Beyond mere business success, our shared Vision has driven us to make resolute strides towards a better, more prosperous world.

Reflecting on our performance

We are delighted to have delivered eleven consecutive quarters of healthy growth in revenues and operating profits. We have taken up some mega engagements and seen positive performances across our key markets.

To ensure sustained growth, we rely on a talented team. Our employee attrition has seen a significant drop over the last several months.

During the fiscal year, we continued to explore opportunities to uncover new revenue streams. We also formed a new company, 'Qorix' and to that end, we partnered with a global Tier 1 company, ZF. We believe that together we can develop formidable platforms and solutions for our clients.

Pursuing Environmental and Social Sustainability

Beyond the parameters of our industry, too, we continue to strive towards sustainability in the environmental and social sphere. Not only are we reducing our carbon footprint and utilizing renewable energy in our campuses and activities, but also investing time, effort, and resources to fulfil our responsibilities towards society. We continue to organise community initiatives across our global presence, through activities such as tree plantation, water conservation and access, blood donation, sponsoring nourishing food, raising awareness through sports events, as well as educational and skill development initiatives.

The road ahead

We begin FY24 with the start of some key long-term engagements and a growing pipeline of programs. We aim to focus on the alignment and collaboration of practices to address client challenges with broader technological interventions. We are also committed to continuously build a robust competency framework leading to flawless execution of programs while we onboard the right talent across different pockets of the world.

In closing, we would like to thank our clients for their faith in our capabilities, our colleagues for going above and beyond their professional responsibilities and our shareholders and analysts for keeping us on the right track to achieve excellence.

Best Regards,

Kishor Patil,
CEO & Managing Director

Sachin Tikekar,
President & Joint Managing Director

Highlighting stories from FY23

Expanded our operations in the United States by establishing a new software excellence centre in Michigan. This facility is focused on fast-tracking the development of software-defined vehicles for major mobility original equipment manufacturers (OEMs) and Tier I suppliers within the US.

Renault Group has chosen us as its strategic partner for scaling software in its upcoming next-generation Software-Defined Vehicles

Teamed up with Honda to embark on an exciting journey towards their software defined mobility (SDM).

Collaborated with a special interest group with the intent to deliver broad adoption of a cloud-native approach to automotive systems and development.

Won 2 top honours for ET Ascent's Business Leader of the Year Awards.

Completed a fruitful and inspiring partnership of 20+ years with Cummins, which reflects our strength, resilience, and interconnectedness to reimagine mobility and exchange ideas.

Unveiled the new KPIT office at Kochi.

Faces of KPIT

Launched a brand new series, 'Faces of KPIT,' a show where our multi-talented employees are recognised.

Conducted a #womeninmobility panel discussion with women industry experts to gain insights on tech-enabled mobility.

Awarded employees for their hard work, intellectual ideas, and passion for work, thus staying true to KPIT's #BestPlaceToGrow motto.

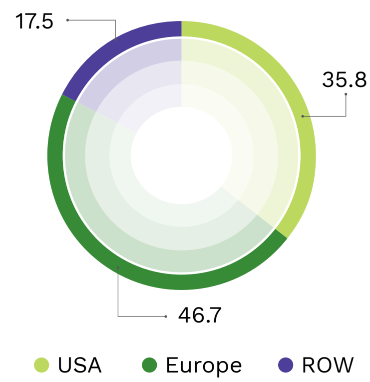
Financial highlights

(Amount in ₹ million)

Consolidated Income Statement	FY 2023	FY 2022
Sales ($ million)	418.3	328.4
Total income	34,052.3	24,772.0
Total expenses	29,084.4	21,326.5
Profit/(loss) before tax	4,967.9	3,445.4
Consolidated Balance Sheet		
Share Capital	2,703.5	2,700.2
Other Equity	13,811.9	10,395.5
Total Shareholder Funds	16,515.4	13,095.7
Non-Controlling Interest	117.6	155.5
Non-Current Liabilities	5,692.3	3,033.7
Current Liabilities	11,680.5	7,076.6
Total Equity & Liabilities	34,005.8	23,361.5
Fixed Assets	4,472.7	2,230.6
Right of use assets	2,594.3	2,503.3
Goodwill on Consolidation	10,102.6	1,678.7
Other Non-current Assets	1,820.4	1,807.3
Current Investment	20.7	30.1
Trade Receivables	5,924.4	3,714.5
Cash and cash equivalents	5,860.1	9,973.5
Other Current Assets	3,210.5	1,423.5
Total Assets	34,005.8	23,361.5
Key Ratios		
Long-term Debt to Equity	0.0%	0.0%
Total Debt to Equity	2.9%	0.0%
Cash/Total Assets	17.2%	42.7%

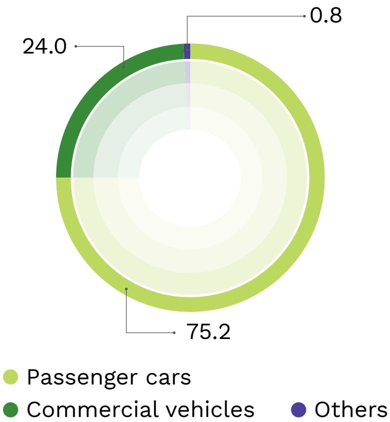
Revenue by geography

In %



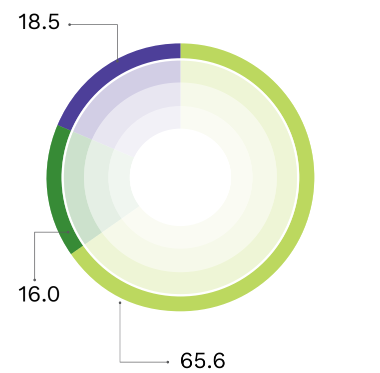
Revenue by verticals

In %



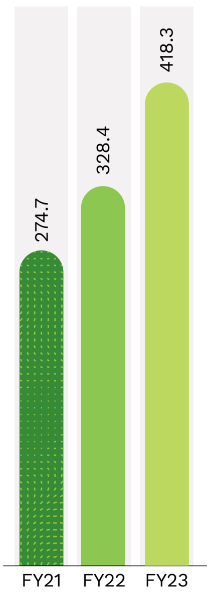
Revenue by practices

In %



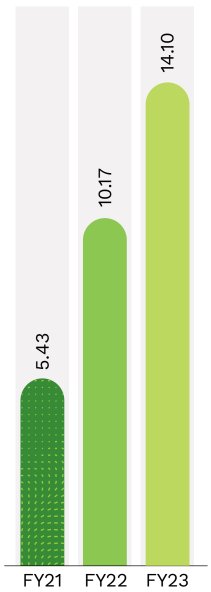
Revenue generated
(In $ Mn)

418.3



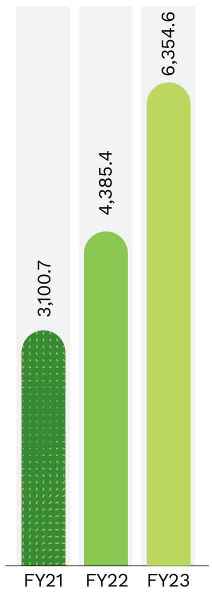
Earnings per share
(in ₹)

14.10



EBITDA
(₹ Mn)

6,354.6

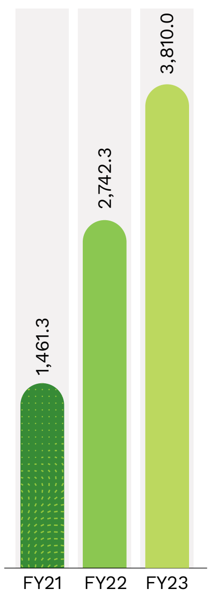


EBITDA Margin
(In %)

18.9

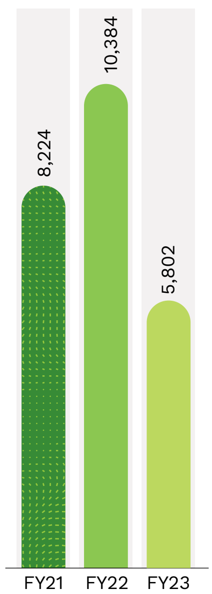
PAT
(₹ Mn)

3,810.0



Net cash balance
(₹ Mn)

5,802

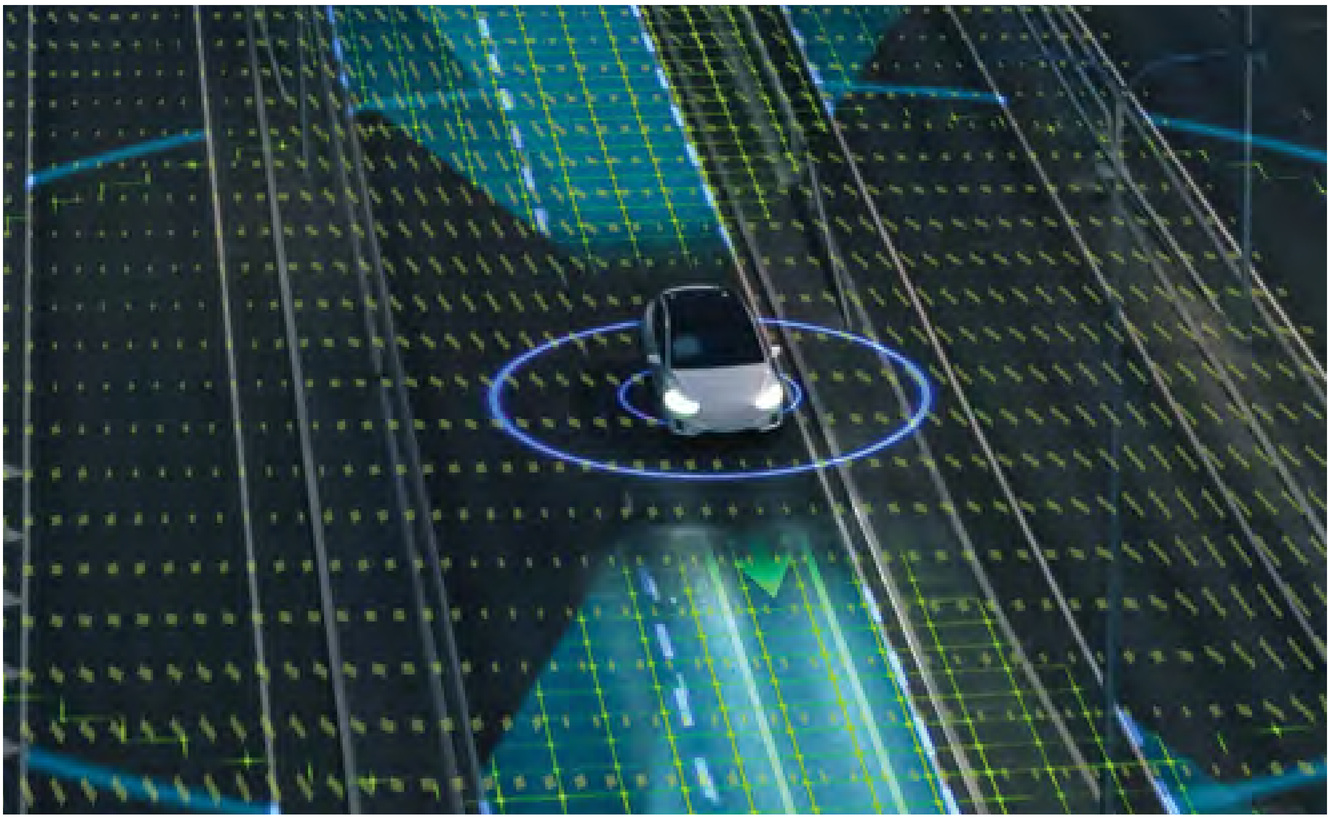


Our services and solutions

Integrated solutions to mobilise software on wheels

To align our solutions and services in order to cater to the New Age mobility requirements, we have structured them along three major clusters:

- Architecture consulting and middleware
- Feature development, migration, and integration
- Cloud-based connected services



Within these broad clusters, we have several practices that address the key domains of mobility including:

- Autonomous Driving and Advanced Driver-Assistance Systems (ADAS)
- Propulsion
- Functional consolidation in body electronics
- New-age vehicle engineering and design
- Common Middleware for new E/E architecture (AUTOSAR, Cybersecurity, OTA)
- E-cockpit and connectivity
- Cloud and virtualisation
- Predictive diagnostics and maintenance

Since SDVs require significant intersection among these three areas, we also collaborate among these clusters to increase the breadth and depth of our client offerings.

Fulfilling the promise of sustainability

We remain committed to building a cleaner, safer and more intelligent world. To fulfil this objective, we are consistently enhancing efforts to minimise our impact on the natural environment, increase contributions for community development projects and improve our corporate governance framework.

Our primary focus is to promote environmental sustainability through responsible actions and proactive initiatives. We are dedicated to conserving energy and water resources, ensuring proper waste and e-waste disposal, minimising pollution, and preserving biodiversity.

Water conservation

At KPIT, we focus on water conservation and recycling efforts, which include the installation of Sewage Treatment Plants in our facilities. Additionally, we have taken initiatives concerning the establishment of dams and water wells to ensure a steady supply of fresh drinking water. We also encourage our employees to participate in water body cleaning campaigns, where they visit various locations such as rivers, lakes and beaches to contribute to the clean-up process.

11,975 kilolitres
Water conserved

Energy consumption

At KPIT, we have made substantial strides in reducing energy consumption through the integration of cutting-edge technologies. Additionally, we have taken a proactive approach to harnessing renewable energy sources by transforming our open parking lots into covered parking areas using solar panels. These solar panels generate clean and sustainable energy, contributing to our commitment to encourage environment-friendly practices.

2,105 GJ
Energy consumption reduced

3,374 GJ
Energy consumed from renewable sources

Preserving biodiversity

At KPIT, we strive to improve the oxygen levels in the environment by conducting sapling plantation drives at multiple locations. This initiative not only contributes to afforestation, but also results in the growth of green cover in previously barren areas, thereby preserving biodiversity. Throughout the year, our efforts on sapling plantations play a crucial role in curbing carbon emissions and fostering a healthier and greener ecosystem.

Waste management

Recognising the environmental consequences associated with e-waste, we at KPIT take precise steps to promote its reuse within underserved communities. Additionally, we tackle organic waste by decomposing it to produce nutrient-rich compost, which serves as a natural fertiliser for agriculture. Further, to minimise the generation of harmful waste, we make extensive use of eco-friendly materials. These efforts exemplify our commitment to sustainable practices and responsible waste management, ensuring a positive impact on the environment and the communities we serve.

4.5 tonnes
E-waste collected

Our quest for responsible transformations

KPIT is a socially responsible Company that is dedicated to making a difference in people's lives. Our holistic CSR programmes help provide access to education, healthcare, and livelihood generation for marginalised communities.

We also demonstrate our dedication through the involvement of employee volunteers in our CSR projects. It has enabled us to undertake initiatives that make way for a cleaner, smarter and safer future.

₹ 4.185 Cr
Spent on CSR activities

4,682
Employee volunteers

12,175
Volunteering hours

108,766
People benefitted

Education for children

We aim to empower children from disadvantaged backgrounds by providing them access to quality education. Our CSR team collaborated with eVidyaloka (a Bengaluru-based NGO) and engaged our people to teach government school children through the online mode. This initiative has also addressed the issue of lack of teachers in rural schools.

We have also developed our flagship CSR programme, 'Chhote Scientists', to kindle the love for science among school-going children with the help of easy-to-make and fun-to-learn scientific toys.

We also organise various competitions like v-solve, a problem-solving competition and KPIT Sparkle for students to showcase their talent at the national level. The students participating in these activities are also provided guidance, mentorship and training.

Ecological conservation

We encourage employees as well as their families to embrace environment-friendly practices to promote environmental sustainability and create awareness about environmental challenges.

We also organise various workshops and campaigns to collect e-waste and enhance awareness about its safe disposal. Besides, we have engaged in the river and lake cleaning drive to fulfil our commitment to sustainability. Moreover, in partnership with the Wildlife Research and Conservation Society (WRCS), we undertook plantation drives.

Our quest for responsible transformations contd...

Blood donation drive

We organise multiple blood donation drives at our office to contribute to the noble cause of saving lives by collaborating with the Jankalyan Blood Centre and Deenanath Mangeshkar Hospital.

To support children suffering from thalassemia, our CSR team, in collaboration with the Jankalyan Blood Centre (a Pune-based NGO), organised an informative session for employees and launched a fundraising campaign to support their treatment.

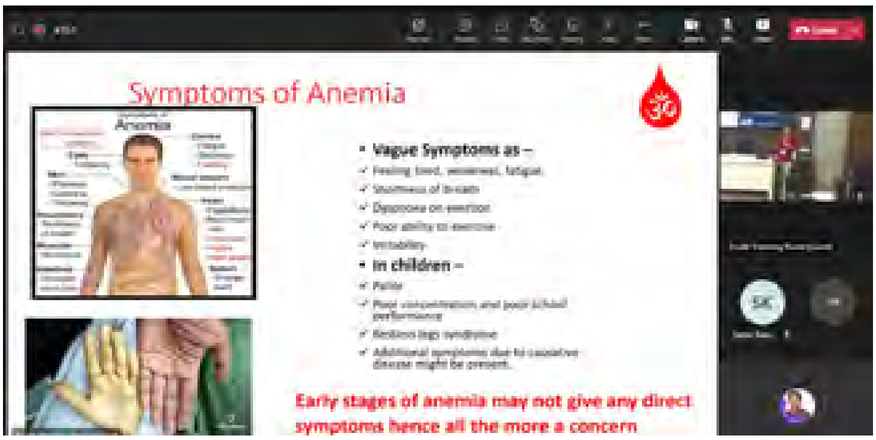
200
Children treated

Women empowerment

In partnership with the Maharshi Karve Stree Shikshan Samstha (MKSSS, a Pune-based NGO), we empowered women from Yerwada and Vishrantwadi slums with skill development training. Specialised training programmes for tailoring and patient assistance helped create employment opportunities for these women from marginalised backgrounds. This year, we trained 285 women in uniform making, basic tailoring and patient assistance.

Our CSR team, in collaboration with Jankalyan Blood Centre, also organised an awareness session on anaemia for female employees. The session helped our employees understand its root cause and gather knowledge about its prevention and management.

285
Women trained in tailoring and patient assistance



Operating with integrity and transparency

At KPIT, we nurture a culture of responsible and good governance to uphold the highest standards of corporate ethics. It empowers us to operate with integrity, honesty, and accountability.

CSR Policy

We realise our obligation to the society and continue to engage in CSR activities that aid community development. Our Corporate Social Responsibility policy is aligned with the needs of communities in different parts of the world. With the participation of our people, we aim to create a positive difference in the areas of energy, education and the environment.

Vigil mechanism and whistle blower policy'

Our whistle-blower policy enables our people, clients, and third-party intermediaries to report concerns anonymously and confidentially about unethical behaviour or violations of the Code of Conduct without fear of retaliation, discrimination, or other consequences. We have also established a transparent procedure to safeguard the interests of the whistleblower.

Code of Conduct

We operate our business in accordance with applicable laws and regulations and in a way that adheres to the highest standards of corporate ethics. Our Code of Conduct provides a comprehensive framework for employees to abide by Company policies and act with integrity and transparency.

Board of Directors

The Board of Directors is responsible for overseeing the Company's long-term objectives and organisational strategies. Through a clearly defined operational framework, the Board directs our Company's operations, strategies and performance.

Board of Directors

S. B. (Ravi) Pandit
Chairman

Kishor Patil
CEO & Managing Director

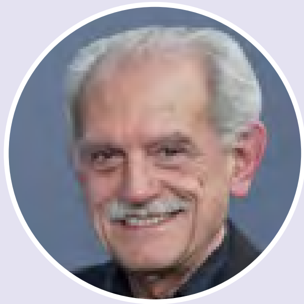
Sachin Tikekar
President & Joint Managing Director

Anup Sable
Whole-time Director

Chinmay Pandit
Whole-time Director

Anant Talaulicar
Independent Director

B V R Subbu
Independent Director



Prof. Alberto Sangiovanni Vincentelli
Independent Director

Dr. Nickhil Jakatdar
Independent Director

Bhavna Doshi
Independent Director

Prof. Rajiv Lal
Independent Director

Mr. Srinath Batni
Additional & Independent Director

Contributing to a sustainable future: An In-depth Perspective

At KPIT, we aspire to create a cleaner, smarter, and safer world. To this end, we engage in numerous activities aimed at minimising our environmental footprint. In addition, we promote sustainable practices throughout our operations and encourage our personnel to do the same. We also collaborate with our clients and partners to develop innovative and sustainable solutions that address environmental challenges and contribute to a greener future.

Environment

To reduce waste generation, we prioritise resource efficiency. We regularly assess our energy consumption and identify areas for improvement to conserve energy. As a responsible corporate entity, we are dedicated to preserving the quality of soil, air and water while sustaining ecological balance. Our focused ESG activities reflect our commitment to environmental sustainability and prudent resource management.

Our environmental initiatives

Water

Reduced water usage

We implement several conservation initiatives to curb our water consumption. At KPIT, we have installed Sewage Treatment Plants (STPs) at our own facilities, where we treat and recycle the wastewater produced for gardening purposes. This approach ensures that no liquid is discharged outside our premises.

11,975 kilolitres

Reduced consumption of water

Building a farm pond

Our team assisted in the construction of a small-scale ‘Vanrai’ dam in the Pasali village in Pune, Maharashtra. This dam can retain and store over one lakh litres of water, which greatly helps replenish the village’s water sources. It has become a useful reservoir for livestock and domestic animals. The event helped bring about a positive transformation in the lives of the villagers.

Constructing a well to enable access to potable water

A well has been built in Nalvat village, Pune, Maharashtra, as part of a mass volunteer initiative aimed at conserving water. The well is specifically designed to address the scarcity of potable water during the months when the nearby natural spring runs dry. The construction of the well was a collaborative effort, with the villagers actively contributing both funds and physical labour.

The project ensures that Nalvat, with a population of 500, will have a sustainable water supply for five decades.

1.1 million litres

Water holding capacity of the well

Contributing to a sustainable future contd...

KPIT solved our drinking water problem and as a result, our village is now water independent for at least the next 50 years. We would like to thank KPIT for constructing the well in our village.

Shri. Sahadev Dhondiba More,
Farmer, Nalvat village, Pune, Maharashtra

River, lake and beach cleaning

We recently undertook a river cleaning initiative in Aundh as well as a lake cleaning campaign in Jakkur, Bengaluru. Our team collaborated with the Clinton River Watershed Council in the USA to organise a river-cleaning initiative. During this event, we gathered and segregated waste. The volunteers gathered more than 30 bags of trash, effectively cleaning a substantial portion of the area around the river. We have also undertaken an initiative to remove waste from the beach at Vizag and raise awareness about the impact of litter on marine life.

A Walk on the Riverfront, Pune

In keeping with our commitment to river restoration, our team has organised a river walk to engage residents in raising awareness. This helped bring ordinary citizens closer to the river and educate them about environmental hazards.

Green cover

Rice plantation

To alleviate the labour-intensive burden of planting rice saplings and help farmers, we implemented a project in Vajeghar village, Pune. We organised a rice sowing event to support the farmers, in which a dedicated group of employees participated. Despite heavy rainfall, these employees entered the muddy, waterlogged rice fields and diligently planted rows of rice plants, covering an entire acre of the field. Through this volunteer experience, our people gained first-hand understanding of the challenges and hardships faced by farmers in producing our food ingredients. This valuable insight inspired us to make a commitment to minimising food waste.

Plantation drives

Our employees regularly conduct plantation drives to promote afforestation. We have also synchronised our afforestation endeavours with the arrival of the monsoon season. Also, efforts are being made to restore barren land with trees that will generate huge amount of O2, such as mango, banyan, neem, jamun, umber and more.

2,000 saplings
Planted in the Koyna-Chandoli corridor, Pune

666 saplings
Planted in Vetale Village, Pune

200 saplings
Planted in Sarjapur village, Bengaluru

Awareness sessions were held on environmental conservation

Through these insightful sessions, we have gained significant knowledge about how to conserve our natural resources and what practices should be followed to protect our planet.

- We gained insights on how a barren land of 25 acres was converted into a thriving jungle by building sustainable, carbon-footprint-neutral ecosystems through reforestation.
- We also conducted a session on 'River Revival,' which helped us understand how our changing lifestyles are adversely impacting water availability.
- A session on green roofs in urban cities provided us with an innovative idea of how we can create a green cover on the roofs that substantially contributes to the reduction of GHG emissions, thereby lowering the temperature.
- We have also launched a pilot programme where some of our employees have shown commitment towards changing their lifestyles and reducing their individual carbon footprint in response to climate change concerns.

Waste management

Workshop on composting

Our team organised a workshop on composting, which entailed teaching sustainable practices to decompose biodegradable waste into compost. The training covered the selection of the right ingredients and the maintenance of a balanced carbon-to-nitrogen ratio.

Clothes and E-waste Donation Drive

Through our donation drive, our employees generously contributed clothes and e-waste. The clothes were creatively upcycled into eco-friendly products, while the e-waste was repurposed and distributed to underserved communities.

Eco-friendly creations

To reduce waste generation and water pollution, we engaged our employees and their families in the creation of eco-friendly idols and lanterns for various festivals.

E-yantran Drive

Recognising the environmental impact of electronic waste, we conducted awareness campaigns in schools, colleges and public spaces. With the help of over 300 volunteers and support from 1,000 donors, we collected a staggering 4.5 tonnes of e-waste. Refurbished laptops and computers were donated to local organisations, schools and students, while the remaining e-waste was responsibly disposed of by authorised recyclers.

4.5 tonnes

E-waste collected

Energy conservation

We have implemented new processes to curb our energy consumption, including proper monitoring of electronics and adopting energy-saving practices. Consequently, we have reduced energy usage by an impressive 2,105 GJ.

2,105 GJ

Reduced energy consumption

To promote green energy and reduce the heating of the cars during the summer, we transformed an open car parking area into a solar-powered parking lot. Additionally, we installed a rooftop solar system with a capacity of 220 KWP, generating 300 thousand units of power annually. This ensures that 85% of our energy needs are met by renewable sources.

3,374 GJ

Energy consumed from renewable sources

Our community development initiatives

At KPIT, we firmly believe in 'growing responsibly'. As a result, empowering our local communities by offering equal opportunities is a vital aspect of our growth strategy. Aligned with this, our skill development programme entails training sessions designed to empower the youth and instil knowledge and confidence in them. This is enabled by conducting several workshops that help them develop industry-relevant skills.

Education

Chhote Scientists

KPIT's 'Chhote Scientists' initiative aims to encourage schoolchildren's interest in science through fun and easy-to-make scientific toys. For the past ten years, we have implemented this programme in Pune. We set an ambitious target of reaching 100,000 students across India this year.

666 schools
Training conducted

62,911
Students received training

3,40,659 hours
Of dedicated training

Donations and online teaching at schools

To provide economically disadvantaged students with essential school supplies, we made considerable donations. With the aim of empowering children from underprivileged backgrounds and granting them access to quality education, our employees took the initiative to instruct rural government school children via online platforms. This effort also effectively addressed the lack of teachers in rural schools.

In Bangkok, our team generously donated 250 pairs of clothes, along with a selection of stationery items such as books and bags.

Operation backpack

Our team in Novi (MI, USA) has undertaken an initiative to assist at-risk and homeless children receive quality education. Striving to promote their academic development and instil confidence in the classroom, we have diligently assembled school kits comprising grade-appropriate supplies. These kits were thoughtfully distributed among the children, ensuring they received them well before the start of the academic year.

KPIT Sparkle 2023

KPIT Sparkle is a national-level programme in India that provides a forum for engineering students to demonstrate their innovative ideas. The programme offers mentorship, guidance and training to help participants enhance their proposed ideas. There were 1,000 ideas submitted among the 12,000 entries received, and the top 24 teams advanced to the Grand Finale in 2023. The finalists were given the opportunity to present their solutions to a renowned panel of industry experts, including senior executives from KPIT and other leading automotive and energy companies. The event was a huge success, with the finalists featuring cutting-edge innovations.

646 colleges

Participated across 27 states and 6 union territories

KPIT Shodh Awards 2023

The KPIT Shodh Awards is an Annual Global Award initiative introduced by KPIT Technologies with the purpose of acknowledging and commending individual Ph.D. researchers in the domains of Mobility and Energy. This prestigious award aims to encourage research and development in areas such as energy storage, fuel cells, autonomous driving applications, green energy generation, artificial intelligence and machine learning. More than 100 submissions were received across various categories, which were meticulously assessed by a panel of industry and academic experts. Participants were requested to present their research findings in an online meeting as part of the evaluation process.

KPIT Nova

KPIT Nova is a unique collaboration between industry and academia with the goal of cultivating a robust pool of intellectual resources for the development of smart technology and products. This two-year programme prioritises vocational training and skill enhancement activities, aiming to produce engineers who are future-ready. Throughout this programme, students selected from various engineering colleges gain access to mentorship, internship opportunities, training and development sessions, on-campus events, hackathons, technical assignments and faculty internship programmes. As of March 31, 2023, the programme had attracted over 10,000 registrations and received more than 11,000 individual assignment submissions. These students will benefit from over 36 hours of exclusive technology content, carefully curated by experts from KPIT.

Our community development initiatives contd...

Health and well-being

Blood donation drives and awareness sessions

This year, we conducted various blood donation drives across our offices. This effort profoundly impacted those who need regular blood transfusions. Moreover, our Bangkok team organised their inaugural blood donation campaign to raise funds for medical treatments in the local community.

We also held an educational session for personnel to promote awareness about thalassemia, a genetic illness that affects children and launched a fundraising campaign to support the corresponding treatment. The workshop significantly improved our understanding of how the disease affects children and their families. We were able to contribute to the treatment of 200 children as a result of our collaborative efforts.

Ensuring nourishment

Annadan campaign

As part of our annual tradition, we launched the Annadaan campaign to offer nourishment to marginalised children in our community. Through generous employee donations, we raised funds to purchase essential food supplies for underprivileged kids. These supplies were donated to residential hostels, ensuring that children in need receive proper meals.

Our team gathered around 200 pounds of food supplies, which we then distributed to marginalised individuals in our community through food banks. The impact of the Annadaan campaign was heartwarming as we witnessed the smiles on the faces of these children, who finally had access to nutritious meals. This initiative not only provided immediate relief but also instilled hope and a sense of belonging in these young minds, reminding them that they are cared for by their community.

Additionally, we organised a fundraising campaign where donations were contributed to our partner food banks. As a result, the food banks provided a total of 3,846 meals to those in need. Moreover, our team undertook various initiatives where employees generously donated hygiene products, assembled 100 hygiene kits, and participated in a packing event.

In Munich, Germany, our team arranged a food donation to assist individuals facing economic hardships. They contributed 70kg of food materials, along with miscellaneous items and recycled materials. Additionally, they provided 100 pounds of non-perishable food items, benefiting over 300 children in need.

Hear from our beneficiaries

Thank you so much for the generous gift of time and financial support from KPIT. The hygiene kits that KPIT employees helped create have been an essential source of assistance for young women moving into new homes under traumatic circumstances. The funds raised by KPIT will enable us to keep up the good work of serving hundreds of children across Indiana, who ended up in foster care. KPIT has made a meaningful difference in the lives of many precious children."

Amy Linnemann,
Executive Director, Beloved, USA

Disaster relief

Assam Flood Relief Support

In response to the Assam flood disaster, our people conducted a donation drive, raising a sum of ₹ 3.72 lakh. Using this amount, we offered necessary items to more than 1,000 victims from different flood-affected areas.

Contribution and awareness through sports

Mill Race Marathon

For the past two years, KPIT has collaborated with the Mill Race Marathon, Columbus (IN)'s premier marathon, to promote local health initiatives. This year, 25 KPIT employees and their families participated in the marathon, while another 15 employees volunteered to manage the water station and encourage runners throughout the course. The proceeds from the marathon were donated to the Columbus Park Foundation, facilitating the advancement of local community development projects. This substantial investment in community well-being reflects KPIT's commitment to making a positive difference in society at large.

Breast Cancer Awareness Walk

In October 2022, the KPIT team in the US organised a weekly one-mile walk every Wednesday, demonstrating their dedication to raising breast cancer awareness. Participants were encouraged to wear pink, a universally recognised symbol of the fight against breast cancer. Throughout these events, the team engaged in conversations about the various risk factors associated with breast cancer, strategies to minimise those risks, the importance of regular breast cancer screenings and ways to extend support to individuals affected by the disease.

Our employee engagement initiatives

To foster a culture of social responsibility and giving back, we prioritise empowering our employees to take the lead in our corporate social responsibility initiatives. By doing so, we aim to cultivate a sense of purpose and fulfilment among our workforce as they engage in volunteer work and contribute to our CSR projects worldwide.

Climate ready lifestyle workshop by Dr. Priyadarshini Karve

Padma Samvaad Series

In our continuous efforts to promote employee growth in the social sphere, we launched the 'Padma Samvaad' series as part of KPIT's CSR endeavours. This monthly initiative invites Padma Awardees from the social sector to our office, where they interact with our employees, sharing their inspiring journeys, experiences and valuable insights. This series has provided numerous opportunities for our employees to engage with influential social changemakers, making it a significant contribution to KPIT's CSR initiatives and underscoring our commitment to employee engagement and advancement in the social space.

Interaction on uplifting nomadic communities with Mr. Girish Prabhune

Recognising our volunteers

Volunteer of the quarter' award

Under this programme, we acknowledge the exceptional volunteering contributions made by our employees who have dedicated the most hours to our CSR initiatives each quarter. These outstanding volunteers are recognised and honoured with certificates, commemorating their commitment and impact in serving the community through our CSR endeavours.

KPIT award of excellence in the CSR category

KPIT hosts the Annual Awards of Excellence programme, a significant event designed to celebrate and commend the exceptional achievements of both individual employees and project teams. This platform serves as an opportunity to recognise the remarkable efforts of our employees in their volunteering initiatives and the outstanding excellence demonstrated by our CSR projects. In FY 2022-23, the winners were the Chhote Scientists programme and the Audio Recording Project for the visually impaired. The organisers behind these successful initiatives were rewarded and honoured for their exceptional contributions.

Voices of employee volunteers

"The volunteers had an enriching experience as they actively participated in planting saplings, which undoubtedly symbolise an investment in our future. From engaging in boardroom discussions and daily SCRUM calls to attending review meetings, everyone enthusiastically dedicated themselves to the cause of nurturing Mother Earth. The collective effort of working outdoors and putting in physical exertion was truly gratifying for all involved."

Tausif Pinjari,
Associate Manager,
Propulsion Practice,
KPIT India

"Engaging in the noble act of donating blood is a deeply rewarding experience that fills me with immense joy and a sense of pride. It is an opportunity to make a significant and tangible impact on someone's life, potentially even saving it. The knowledge that my contribution can directly benefit someone in need, someone who deserves the chance to live and thrive, is truly profound."

Kochchapak Kongpan,
Sr. Executive,
KPIT Thailand

"We firmly believe that giving back to the community is not just a social responsibility but an integral part of our organisational DNA. It reflects our core values and commitment to making a positive impact on society. By actively engaging in philanthropic endeavours, we aim to create a meaningful and sustainable difference, fostering a culture of compassion, empathy, and social consciousness within our organisation and beyond."

Sophia Suo,
VP of Electrification
Practice, KPIT USA

BOARD'S REPORT

Dear Members,

The Directors are pleased to present the Sixth Annual Report together with the Audited Accounts of the Company for the Financial Year ended March 31, 2023.

Performance of the Company

(In million)

Particulars	Standalone 2022-23		Consolidated 2022-23	
	USD	₹	USD	₹
Revenue from operations	188.49	15,164.29	418.28	33,650.38
Profit before Tax (PBT)	45.44	3,655.53	61.75	4,967.87
Profit after Tax (PAT)	34.82	2,801.61	48.09	3,868.63

Result of Operations

During the year under review, the total revenues from operations (consolidated) increased to ₹ 33,650.38 million (previous year ₹ 24,323.86 million), a growth of over 38.34% of the previous year. Earnings before interest, tax, depreciation and amortization was ₹ 6,354.58 million on consolidated basis with growth of over 44.90% over previous year. Net profit after tax (consolidated) increased by 40.04% to ₹ 3,868.63 million to (previous year ₹ 2,762.43 million).

In US Dollar terms, revenues from operations for the year on consolidated basis was $ 418.28 million as against $ 328.35 million during the previous year, a growth of 8.6 %. Average realization rate was ₹ 80.45 per US Dollar.

Standalone sales for the financial year 2022-23 grew by 28.40% to reach ₹ 15,164.29 million (previous year ₹ 11,809.88 million). Net profit after tax increased by 17.66% to ₹ 2,801.61 million (previous year ₹ 2,381.20 million).

Dividend

The Board of Directors of the Company declared Interim Dividend of ₹ 1.45/- per equity share of face value of ₹ 10/- each (at 14.5%). The Board of Directors are also pleased to recommend a final dividend of ₹ 2.65/- per equity share of face value of ₹ 10/- each (at 26.5 %) on the paid-up equity share capital of the Company for the year under review. The total payout will amount to ₹ 726.48 million including dividend distribution tax.

The Company has amended its Dividend Distribution Policy by increasing the Annual Dividend Payout Ratio up to 35% in the coming two to three years. The said Dividend Distribution Policy is uploaded on the website of the Company (https://www.kpit.com/investors/policies-reports-filings/).

Awards, Recognition and Partnerships

From Clients

- Honda announced its partnership with KPIT to work together for software development in areas of Operating system (OS) for the next-generation electrical/electronic (E&E) architecture, Electrified powertrains, Advanced safety and automated driving and IVI (In-vehicle infotainment) and connected technologies.
- Renault recognized KPIT as a strategic technology partner for their next generation Software-Defined Vehicle (SDV) program.
- A large Japanese public management organization promoting research and development recognized KPIT for contributing to the project as a System Integrator for their EV buses.

From Industry forums

- ET Ascent in collaboration with HRD Congress recognized KPIT as the Most Admired Company of the Year across 30 different sectors and industries across India.
- KPIT's Co-founder, CEO and Managing Director, Mr. Kishor Patil, was awarded Best CEO of the Year by ET Ascent in collaboration with HRD Congress.

From Industry Partners

- Amazon Web Sources (AWS) have recognized and approved KPIT's cloud-based software-defined solutions (SDV) as its FTR approved solutions.

Quality, Productivity and Innovation

Delivering Zero Defect delivery to our customers is one of our key strategies to achieve our Mission of becoming a leading software integration partner in mobility. To achieve this objective, we had designed a comprehensive quality framework covering key initiatives in the areas of People, Process and Technology with a focus on improving performance at Project/Program level, Practice level and Unit level. Like every year, we took up key initiatives for the current year from this framework, put a detailed plan for each, defined processes keeping sustenance and scalability in mind, improved it through pilots and then deployed it across all projects. Initiatives that were deployed during the previous year were sustained through strong governance.

To improve zero defect delivery to our customers, we had enhanced our measurement system with refinement to 'First Time Right' and 'Zero Defect Delivery' KPIs. Tools were enhanced to address this change and deployment is completed across all projects during the year. The focus is on achieving the First Time Right mindset, which in turn will result in improving Zero Defect Delivery to our Customers.

The Competency Management initiative, that was deployed earlier in a manual mode, was enhanced with an automated mechanism by integrating all systems. The new system is designed to bring more objectivity in assessment of current skills of individuals and get a heatmap on skill gaps at project, practice, individual level. Further, the system provides a mechanism to plan competency improvement and get visibility through a skill gap ramp down chart and enables tracking the improvement. Migration to the new system is in progress across all projects and system improvements are being taken up based on deployment learnings. This initiative helps in improving competency at individual level, project level and practice level, thereby resulting in better quality output to our customers.

Katapult framework that was developed and deployed for code and test quality performance measurement was enhanced further to cover more projects that could not be taken up earlier. This resulted in significant benefits to customers in terms of achieving product quality on a continuous basis. To track productivity at individual and project level, tools and systems were put in place. Standardization of engineering tools at a practice level was implemented for better utilization and cost effectiveness. During the year, we started working on improving our capability on Agile and Cybersecurity and work is in progress.

To sustain quality with our scalability, there is more dependence on our processes, tools, and systems. We adopt continuous improvement as a strategy to achieve efficiency in our processes and to keep pace with new trends. These improvements come through learnings in the projects, feedback from customers and ideas from the employees. For sustenance and scalability, many automations were taken up and the focus was on system driven approach. These automations combined with process locks in the system helped us in improving data accuracy, quality, cycle time and ease of operation.

As a result of all these initiatives, we could achieve and exceed our goal of CSAT rating from customers with consistently higher coverage in all quarters during the year. We could also achieve a downward trend for high-risk projects.

While we continue to sharpen our quality focus through internal initiatives, our commitment to quality is ratified by our consistent endeavor in certifying ourselves to the best standards in the industry. We continue to maintain our certification on Automotive SPICE, ISO 9001 and Information Security Management (ISO/IEC 27001). We also underwent customer assessments and evaluations during the year based on need and open to more such engagements. We are gearing ourselves to achieve certification on Cybersecurity (ISO 21434) in the coming year.

Share Capital

The issued, subscribed, and paid-up capital of the Company as on March 31, 2023, is ₹ 2,741.43 million consisting of 274,143,808 equity shares of ₹ 10/- each.

Institutional Shareholding

As on March 31, 2023, the total institutional shareholding in the Company was 35.72 % of the total share capital.

ICRA Ratings

ICRA has assigned the (ICRA) A1+ as short-term rating and (ICRA) AA with the "Stable" outlook as the Long-term rating.

Information about the Subsidiary & Associate Companies

As on March 31, 2023, the Company has 21 subsidiaries and 1 associate Company.

In accordance with Section 129(3) of the Companies Act, 2013, (hereinafter referred to as "the Act") the Company has prepared consolidated financial statements of the Company and all its subsidiary & associate companies, which forms a part of the Annual Report. A statement containing salient features of the financial statements of the subsidiary Companies in Form AOC-1 is annexed to this Report as "Annexure 1".

In accordance with Section 136(1) of the Act, the 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.kpit.com.

Ministry of Corporate Affairs (MCA), vide General Circular No. 10/2022 dated December 28, 2022 & Securities and Exchange Board of India vide circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023, has allowed the Companies to conduct AGM through VC/OAVM on or before September 30, 2023, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, SEBI LODR, 2015 and MCA Circulars & SEBI Circulars, the AGM of the Company is being held through VC/OAVM. Further, MCA & SEBI vide relevant circulars has extended relaxations from dispatching physical copies of annual report to the shareholders, for the AGMs conducted till September 30, 2023. However, Companies are required to send hard copy of full annual reports to those shareholders who request for the same. The members interested in obtaining a soft copy of the audited annual accounts of the Company and its subsidiary companies may visit investor section on website of the Company www.kpit.com.

Directors

During the year under review, the Board of Directors appointed Mr. Chinmay Pandit as Executive Director (Whole-time) of the Company for a period of five years with effect from July 26, 2022. Members approved the said appointment at the Annual General Meeting held on August 24, 2022.

The Board of Directors has approved the appointment of Mr. Srinath Batni as an Additional & Independent Director of the Company with effect from July 25, 2023, who shall hold office up to the date of ensuing Annual General Meeting. The resolution is being put up for the approval of shareholders at the ensuing Annual General Meeting for his appointment.

Mr. Anant Talaulicar, Prof. Alberto Sangiovanni Vincentelli and Mr. B V R Subbu were appointed as Independent Directors of the Company by the Members in the AGM held on August 28, 2019, to hold office from January 16, 2019, till January 15, 2024.

The Board of Directors has approved the reappointment of Mr. Anant Talaulicar for a further period of five years, Prof. Alberto Sangiovanni Vincentelli for a further period of three years and Mr. B V R Subbu for a further period of two years with effect from January 16, 2024. The resolutions are being put up for the approval of the shareholders at the ensuing Annual General Meeting for their reappointments.

In accordance with Section 152 of the Act, Mr. Kishor Patil retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for reappointment. The Board recommends his reappointment.

Mr. Kishor Patil was appointed as CEO & Managing Director for a period of five years with effect from January 16, 2019, to January 15, 2024. The Board of Directors has approved his reappointment as CEO & Managing Director for a further period of five years with effect from January 16, 2024. The resolution is being put up for the approval of shareholders at the ensuing Annual General Meeting for his reappointment.

Mr. Sachin Tikekar was appointed as Whole-time Director for a period of five years from January 16, 2019, to January 15, 2024 and was designated as Joint Managing Director with effect from April 1, 2022. The Board of Directors has approved his reappointment as Joint Managing Director (Whole-time) for a further period of five years with effect from January 16, 2024. The resolution is being put up for the approval of shareholders at the ensuing Annual General Meeting for his reappointment.

Please refer to the notice of the Annual General Meeting forming part of this annual report for the profile and other details of these Directors.

Independence of the Board

The Board of Directors of the Company comprises of an optimum number of Independent Directors. In the opinion of the Board, the independent directors possess integrity, expertise, and experience (including proficiency). 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149(6) of the Act:

1. Mr. Anant Talaulicar
2. Mr. B V R Subbu
3. Prof. Alberto Sangiovanni Vincentelli
4. Dr. Nickhil Jakatdar
5. Ms. Bhavna Doshi
6. Prof. Rajiv Lal
7. Mr. Srinath Batni

Key Managerial Personnel

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

1. Mr. Kishor Patil - Chief Executive Officer (CEO) and Managing Director.
2. Ms. Priyamvada Hardikar - Chief Financial Officer.
3. Ms. Nida Deshpande – Company Secretary.

Board Meetings

Seven meetings of the Board of Directors were held during the year. More details about the meetings are available in the Report on Corporate Governance, which forms a part of this Annual Report.

Committees of Board

The details regarding the Committees of the Board of Directors of the Company are given in the report on Corporate Governance, which forms a part of this Annual Report.

Company's Policy on Directors' appointment and compensation

The Nomination and Remuneration Policy of the Company provides for the roles and responsibilities of the Nomination and Remuneration (HR) Committee and the criteria for evaluation of the Board and compensation of the Directors and senior management. Further, as per the policy, the said Committee shall identify 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 ensure the Companies compensation packages and other human resource practices are effective in maintaining a competent workforce and make recommendations relating thereto.

Pursuant to the provisions of Section 134(3)(e) of the Act, the said policy of the Company on the appointment and compensation 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 available on Company's website at the link: https://www.kpit.com/investors/policies-reports-filings/

Audit Committee Recommendations

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

Corporate Social Responsibility

KPIT's Corporate Social Responsibility ("CSR") is aligned to have a stronger commitment towards the community. KPIT demonstrates its commitment across all the regions of KPIT's global presence. It also aims to create long-lasting impact across the focus areas of education, environment, and employee engagement. KPIT firmly believes, through technology and innovation, KPIT can add significant values to the communities worldwide. The Company had constituted a Corporate Social Responsibility (CSR) Committee and has framed the Policy on Corporate Social Responsibility as per the provisions of section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Policy including annual action plan is available on Company's website at the link: https://www.kpit.com/investors/policies-reports-filings/ The initiatives taken by the Company on CSR during the year as per the said rules has been annexed to this Report as "Annexure 5".

Vigil mechanism/whistle blower policy

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

Auditors

M/s. BSR & Co. LLP, Chartered Accountants (ICAI Firm's Registration No. 101248W/W-100022) ("BSR") were appointed as the Statutory Auditors of the Company in the Annual General Meeting held on August 29, 2018, for a period of five years to hold office up to the conclusion of AGM to be held in the year 2023.

The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditor's report does not contain any qualification, reservation, or adverse remark. The Statutory Auditor's report for the year under review is annexed to the financial statements.

The Board of Directors of the Company appointed Dr. K. R. Chandratre, Practicing Company Secretary, 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 6". The Auditor's report does not contain any qualification, reservation, or adverse remark.

- **Reappointment of Statutory Auditor:**

  Pursuant to Section 139 (2) of the Companies Act, 2013 read with the relevant rules, the Board of Directors based on the recommendation of the Audit Committee, at their meeting held on April 25, 2023, have approved & recommended reappointment of BSR as Statutory Auditors of the Company to hold office for second term of 5 consecutive years from the conclusion of the 6th AGM to be held in the year 2023 till the conclusion of the 11th AGM to be held in the year 2028.

  BSR have provided written consent to such reappointment and a certificate to the effect that their appointment, if made, would be within the limits prescribed under the Companies Act, 2013 & relevant rules made thereunder.

  The Board recommends their reappointment to the shareholders in the ensuing Annual general Meeting.

Internal Control Systems and Adequacy of Internal Financial Controls

The internal control systems of the Company are adequate considering the nature of its business, size, and complexity. The Statutory Auditors of the Company have expressed their opinion on the adequacy of internal financial controls with reference to financial statements for the year under review and the operating effectiveness of such controls.

Corporate Governance

A separate section on Corporate Governance with a detailed compliance report thereon forms a part of this Report. The Auditors' Certificate in respect of compliance with the provisions concerning Corporate Governance, forms a part of this Annual Report, as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the SEBI (LODR) Regulations, 2015").

Management Discussion and Analysis

A Management Discussion and Analysis Report giving detailed information on the operations, performance and outlook of the Company and its business forms a part of this Report.

Particulars of Employees

A statement containing the names of every employee employed throughout the financial year and in receipt of remuneration of ₹ 1 crore 2 lakhs or more or employed for part of the year and in receipt of ₹ 8.5 lakh or more a month, and other employees as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to this Report as "Annexure 3A"

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 3B".

Employees Stock Option Schemes (ESOSs)

In compliance with Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, information relating to ESOSs of the Company is annexed to this Report as "Annexure 4."

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

The Company has a policy on prevention of sexual harassment at workplace and has 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. During the year under review, one case was filed with the POSH committee which has been resolved. There were no complaints pending as on March 31, 2023.

The Company has taken various measures to create awareness amongst employees such as sending emails and communication to all employees, conducted awareness sessions with new joiners and deploying e-learning module for all KPIT Employees etc. for prevention of Sexual Harassment of Women at Workplace.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status.

The Company has not made any application under the Insolvency and Bankruptcy Code, 2016 during the financial year 2022-23.

Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

The provision regarding difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions is not applicable to the Company during the financial year 2022-23.

Fixed Deposits

The Company has not accepted any deposits as on March 31, 2023.

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

Conservation of Energy

Energy conservation has always been a focus of KPIT.

HVAC consumes around 40% of energy, hence the focus was on HVAC operations to maximize efficiency. Having an efficient HVAC VRF system gives more efficiency and flexibility to control smaller areas as per operational requirement. With respect to previous year, we have increase in employees working from office hence, new process and practices were implemented such as AC temperature settings, monitoring of AC system w.r.t occupancy, seasonal temperature setting for ACs, shutting down unused lights and equipment on respective floors with rigorous monitoring.

Along with an open car parking lot of more than 8,000 sq. meters converted into solar power parking lot with an object to generate green energy and which also overcome the leading concerns of heating vehicles in summers. Generating energy up to 661.65 KWP which is intended to produce 960 thousand units of power annually.

Addition to this we have installed and commissioned roof top solar system of capacity 220 KWP which would generate additional 300 thousand units of power annually. Both combined suffice 85% of day electrical load. The plant was setup through capex investment of 95.53 Lacs towards energy conservation made by the Company in FY 2022-23 and will save around ₹ 20 lacs annually.

During the year under review, KPIT continues with its commitment for greener world and has successfully covered around 2 acres of land as green belt with plantation of 366 native trees, 13,125 shrubs and flowering plants which has increased the freshwater requirements.

In FY 2022-23, as more employees resumed office, there was increase in consumption of power by 25% due to usage of hardware, Machines, LAB equipment's etc. There was an increase in water consumption of around 28% as compared to the previous financial year as more employees are reporting to the office and an overall increase in the landscape area.

Green Initiatives

The following initiatives were undertaken at the Company level to create awareness about importance of environmental protection and reducing pollution:

1. On a regular basis, multiple groups of employees were engaged in planting and maintaining saplings at the Koyna-Chandoli corridor. **This corridor has been a host of KPIT's afforestation efforts in partnership with the Wildlife Research & Conservation Society (WRCS).** Continuing our previous year's efforts, we aligned our afforestation activities with the onset of the monsoon.

   This year, we planted a total of **2000 saplings**. With this, **a cumulative of 50,900 saplings were planted in an area of 252 acres with an overall survival rate of 80 percent**.

   The KPIT CSR team has encouraged and engaged various project-teams to visit this beautiful place to plant the saplings. We witnessed increased bonding among the team members and the love of nature.

2. With an ambitious goal of **transforming barren patches of land into sustainable forests,** KPIT partnered with the 14 Trees Foundation (14TF) and Ecological Society (ES) (Pune-based NGOs) for building sustainable, carbon-footprint-neutral ecosystems through reforestation.

   Efforts are being made to restore uncultivable barren land at the 14TF Vetale site, near Rajguru Nagar (60km from Pune) **with native species like mango, banyan, neem, jamun, umber etc. This has also created employment for the localities**.

   To mark the birth anniversary of noted ecologist Prakash Gole, Founder of the Ecological Society, KPIT and 14 Trees Foundation has inaugurated Sri Prakash Gole memorial grove on January 11, 2023. **Ecological Society faculty members, well-wishers, alumni and 14 Trees volunteers came together and planted** around 30 saplings to launch the plantation drives for Gole Memorial Grove.

   You can find the details of the grove concept and plantations done so far by ES alumnus and network at the following link.

   https://www.notion.so/14trees/Shri-PrakasholeGrove3a27156433904bd39757099d5d959f8a?pvs=4

   This year, with the help of local villagers and full-time activists of 14TF, we planted a total of **666 saplings**. With this, **a cumulative of 1,298 saplings** were planted at 14TF Vetale site, Pune.

3. Being an environmentally conscious company, KPIT keeps exploring the possibilities of expanding **environmental activities in all the regions where we have the presence**. In Bengaluru, Karnataka, KPIT in partnership with Thayimane (Bengaluru based NGO) identified a village in Sarjapur, planted saplings and **created a green zone**. This year, we planted **200 saplings** by engaging employees with their families and friends to promote environmental sustainability.

4. KPIT remained committed to **our promise of a cleaner world** by observing the environment month in June 2022. Aiming at promoting environmental sustainability and raising awareness about **environmental issues among employees and their families**, KPIT organized a series of activities encouraging them **to adopt environment-friendly practices** and witnessed an overwhelming response.

   Events included workshops on home composting and terrace gardening. We also hosted talks on river rejuvenation, need for green roofs in growing cities. We concluded the environment month with a talk on toxic free lifestyle to save the rivers which was followed by a riverwalk.

5. Electronic waste is becoming a significant environmental problem due to the rapid growth in technology and the increased use of electronic devices. The problem is compounded by the **lack of awareness among people on how to dispose of their e-waste properly**. Addressing this issue in collaboration with the Poornam Ecovision Foundation (Pune-based NGO), KPIT organized E-yantran drives in Pimpri Chinchwad Municipal Corporation (PCMC) area.

   Two weeks before republic day, various **awareness campaigns were organized in schools, colleges, public places, and also door-to-door** in some areas. The drive successfully engaged over 300 volunteers (NGO & KPIT) and more than 1,000 donors. As a result, on 26th January 2023, a total of **4.5 tons of e-waste** was collected.

Out of the collected e-waste, our partner NGO has **refurbished and donated laptops and computers to local organizations/schools/students** in the PCMC area. The rest of the e-waste was handed over to authorized e-waste recyclers for scientific disposal.

6. To create awareness about eco-friendly lifestyle, KPIT organized workshops on Eco-friendly Ganesha making and Handmade Diwali lanterns.

7. As part of our continuous efforts towards commitment to environmental sustainability, KPIT in collaboration with the Jeevitnadi-Living River Foundation (Pune-based NGO) organized a river cleaning drive at Aundh. The cleaning drive was held on a weekend, and our **employees worked tirelessly to remove trash and debris from the river**. Employees with their family members participated and enjoyed the activity.

8. With the noble thoughts of initiating **team bonding through environmental activities,** KPIT in collaboration with the Jala Poshan (Bengaluru-based trust) organized an activity for a team of trainees where they actively engaged in lake cleaning and maintenance efforts at Bengaluru's Jakkur lake.

   This initiative not only contributed to the environment but **also helped in boosting employees' dedication and team building**. Volunteers were engaged in **de-weeding, pruning, and watering the plants.** We all witnessed perfect teamwork spirit to come together and strive towards a cleaner environment.

9. The KPIT USA collaborated with the Clinton River Watershed Council and organized a river-cleaning activity. A group of **40 KPITians, with their family members, participated in this early morning activity, collecting and segregating garbage** while understanding the importance of biodiversity. The volunteers worked hard and collected 30 bags of trash, cleaning up Yates Park in Rochester Hills, MI, as well as the nearby Yates Cider Mill area and Nature Trail.

   The activity showcased a perfect spirit of teamwork combined with lots of fun and the feeling of **"together we can change the planet for the better"** was truly inspiring. It was overwhelming to see the enthusiastic participation of our colleagues and their family members contributing to a cleaner environment.

10. KPIT partnered with Jnana Prabodhini (Pune-based NGO) to organize a farm pond activity and engaged a group of KPITians in constructing a small 'Vanrai' dam at Pasali village, Taluka Velha. The **dam can hold and save one lakh+ liters of water which helps to recharge the water bodies** in that village. It has also become a **water storage for cattle and domestic animals**. This activity witnessed the perfect spirit of teamwork for teams to come together and help change our rural villager's life for the better.

11. KPIT, under the water conservation through mass volunteering initiative, constructed a fresh drinking water well in Nalvat village, Pune, Maharashtra. It is intended to **address the potable water scarcity for months when the nearby natural spring dries out**.

    It was a unique three-way partnership: KPIT and the villagers contributed with funds and sweat hours in realizing this structure and was made possible under the abled guidance of Jnana Prabodhini, KPIT's NGO partner. As a result, the village of Nalvat, with **a population of 500, will now be water independent for the next 50 years**.

    The well has been constructed on the land of a generous donor, Shri. Bapu Khule, measuring **36 feet deep and 33 feet in diameter, with a water holding capacity of 1.1 million litres**.

    The well was formally inaugurated and handed over to villagers by Mr. Shashwat Mitra, Head Human Resources, KPIT India. **This is the fifth well that KPIT has built successfully in five years**.

12. KPIT launched a pilot program in February 2023 for committed individuals in KPIT who want to change their lifestyles and adhere to climate change.

    It was **a four-month-long program** designed in association with Dr. Priyadarshini Karve, a renowned environmentalist from Pune. The program is **aimed to reduce individual carbon footprint and integrate climate focus into the individual's thought process**.

    The program was launched with a workshop training the participants about eco-friendly practices. In the upcoming months, **one-on-one mentoring will be provided to each participant to reduce the individual carbon footprint**.

Occupational Health and Safety Assessment Series (OHSAS)

- KPIT seamlessly focuses on employee well-being with a proactive approach to health and life enrichment aimed at increased awareness, good health, reduced stress levels and safe work.
- In-house doctors, counsellors, dieticians to help employees lead healthy lives.
- Welcomed back employees in office by arranging fun health fair.
- Wellness initiatives such as Laughter Yoga workshop, Glucose gyan, Mental and emotional health webinar, Doodling to de stress, Mindfulness and visualization, etc.
- Flexible working hours and work from home for better work life balance.
- Weeklong Yoga activity filled with mind refreshing Yoga and Fun.
- Celebrated Independence Day and Republic Day with various fun filled activities.

- Health Checkup, Virtual Wellness sessions and engagement activities on Women's Day.
- Fun at Work with Radio Mirchi at our Campus.
- Family for overnight stay in our Pune, Phase 3 Campus at "The Light Touch".
- T20 WC Semi Final Livestreaming of India vs England match.
- KPIT invites employees's family and friends on Saturday(s) to Phase 3, Pune for recreation.
- KPIT employees participated in various intercompany cricket tournaments.
- Stand-Up Comedy on International Friendship Day.
- On-premise recreation facilities.

Technology Absorption

During the year under review, multiple technological improvement initiatives were rolled out. These initiatives helped to improve the systems and applications performance and reduction of cost.

IAAS Cloud Adoption for DR setup

To reduce further the dependency on the factors impacting critical applications uptime and sustainability, we are opting for Infrastructure as A Service (IAAS) cloud offering for critical corporate applications disaster recovery. Some of the key advantages of IAAS Cloud adoption are –

- **Cost savings:** Cloud adoption will help in optimizing costs by reducing the need for physical hardware and infrastructure. Instead of investing in servers and other hardware on-premises, KPIT can use cloud services on a pay-per-use basis. This means that we only pay for what we use, rather than investing in DR hardware upfront.
- **Flexibility and scalability:** Cloud adoption provides flexibility and scalability to expand or contract computing resources as needed. We can adjust the resources to meet changing demands of workload without having to invest in additional hardware immediately.
- **Accessibility:** Cloud adoption enables users to access data and applications from anywhere with an internet connection.
- **High availability:** Cloud providers offer high availability and reliability, with guaranteed uptime and multiple data centers across different geographic regions. This ensures that a business's disaster recovery environment will be available and accessible round the clock in the event of a disaster.

Enhancements to Business Continuity Planning (BCP) – Enabling Secured WFH

Given the continued operations in hybrid model, KPIT is vigilant and working towards anticipating and planning for various scenarios. The Business Continuity Planning team will keep track, assess incidents and work with client teams to build and execute specific plans.

Objectives of BCP:

- Implementing a set of measures for avoiding possible failures.
- Prioritization of Key services and providing for alternate service delivery.
- Educating the users of their responsibility before, during and after business interruptions.
- Providing an orderly and efficient transition from normal to emergency condition and back to normal maintaining consistency in action.
- Readiness for hybrid working:
- Uniform security checks / controls / policies for employees working from home or office.

Solution: Secure Work from Home (BCP) Enablement

Considering secure & successful working from home, KPIT has created hybrid mode of working solution considering highly trusted technologies, process & people framework. As the remote working process matured, multiple security tools and controls were introduced to cover the modern attack vectors.

Access to KPIT network over Next Generation Firewall & VPN:

- Secure Access through multifactor authentication overactive directory credentials to ensure access by an authorized individual only.
- Before granting access – Validating KPIT systems with HIPS for Security Certificate, Antivirus, Anti threat protections.
- KPIT Laptops with hardened OS & with latest security patches.
- Virtual desktop infrastructure in applicable scenarios with hardened OS images with latest security patches and controls.
- Endpoint protection using McAfee endpoint protection to detect and prohibit suspicious or malicious activity.
- Endpoint ATP uses advance threat and anti-exploit protection.
- Endpoint Device DLP for threat monitoring, logging, and restriction on USB storage ports.

- Data exchange over end-to-end encryption with IPSEC tunnel from endpoint till secure gateway.
- SASE based Web-content filtering to protect against web malware.
- Collaboration using Microsoft Teams, Cisco WebEx.
- Round the clock monitoring of security events by dedicated team of experts.

Remote working environment enhancements

During the year under review, remote working environment was further strengthened with below points:

- MFA (Multi Factor Authentication) enabled for published applications.
- Deep packet inspection in effect for all the published applications.
- Enhanced web content filtering solution deployed to arrest new age threats.
- Remote security updates and patch management deployment further enhanced covering all corporate assets.
- Data Encryption enabled for all the critical end points.
- Capacity enhancements completed for additional virtual desktops for rapidly growing development and engineering teams.

Process and Policy controls for BCP:

- Strict adherence to KPIT Information Security Policy.
- User acceptance of Work from Home undertaking.
- Re-iteration of individual roles and responsibilities by Delivery Management.
- Setting up of BCP Command center.

Open-Source Platform enhancements

During the year under review, KPIT has further enhanced a state-of-the-art open-source platform to cater to all the CI/CD pipelines. It's based is based on leading containerisation workload management platform and it is architecturally highly available, auto scalable OpenSource Platform for Digital Technologies. To cater to the need of data services, we deployed highly available database clusters of databases. With zero surprises, all the corporate applications and data are migrated from an Enterprise Platform to new Opensource Platform. This helped the organization to save considerable yearly subscription cost.

Solution and Technology Deployed:

Considering the hefty year on year subscription cost, KPIT decided to explore Open-Source option for an Enterprise Platform which was already in use. Identifying & creating a robust open-source platform without compromising features provided by earlier platform was a difficult task. Also, it was not related to setting up a robust platform alone but building capability to support open-source technology was very critical. The team recorded all the applications and seamlessly migrated to the new platform with zero surprises. End user experience with applications running on the new platform is further enhanced.

- **Virtual Platform for Vehicle simulation & Validation**

  One of the key challenges faced in ADAS and AD development is Verification and Validation. Given the safety- critical nature of ADAS/AD, it's important to ensure high levels of accuracy for this. This is where Virtual Simulation for Validation comes into play.

  ### Solution and Technology deployed:

  Deployed highly resilient container platform along with distributed event streaming platform clusters with Kerberos. The solution has a built-in load balancer for optimum workload distribution. This platform contains Jenkins for CI/CD which allows continues delivery cycle.

- **Smart Campus Platform**

  KPIT has begun the Smart Campus initiative and rolled out various "Smart Applications" for Employees. These applications were aimed at changing the user experience while optimizing the energy consumption. KPIT has pursued this initiative further and taken it to the next level by deploying "Smart Campus" platform and has integrated fourteen different systems and sensor driven devices that come under the aegis of Building Management System (BMS). Traditionally all these BMS systems such as Access control, CCTv, Fire alarm system and air-conditioning systems operate within their own silos and use legacy (often proprietary) protocols. The siloed approach leads to an absence of ability to conduct common monitoring and controlling.

  ### Solution and Technology Deployed:

  KPIT has brought in a higher level of automation in all these 14 systems by use of various control panels and adaptors and has got them integrated to our platform. This has enabled the Company to provide accurate instantaneous reporting data of all these systems along with control functionality in a single dashboard. We are getting more visibility on electrical consumption across floors buildings, with clarity on which system is consuming how much electricity, how it can be effectively optimized. Automation in various pumps and Fan system gives more operational efficiency for the operations team and reduction in human errors along with reduction in electrical usage. The operations team is now better equipped to see all the systems on a single dashboard. Because of instantaneous alerts mapped on various gateways (SMS/E-mail), they are now better equipped to manage various BMS systems effectively, this also helps them in taking care of employee safety at work.

- **Hyper-Converged Infrastructure**

  KPIT is an early adopter of Hyper-converged infrastructure and reaping its benefits since the last 4 years. In our pursuit of continual services optimization, the Company has adopted Hyper-converged Infrastructure from the leading OEMs.

  Scaling out HCI cluster is helping us to suffice dynamic business requirements, quick customer on boarding & on the fly resource upgradation for deployed workloads. Inbuilt deduplication capabilities are helping us in effective storage management.

  Solution and Technology Deployed:

  KPIT was looking for an agile solution which will help us in making operations simpler, could be commissioned much faster, could be scaled on demand and could be effectively managed by skilling existing human resources.

  Hyper-converged infrastructure addressed these issues. HCI is a new and innovative approach to data center management. It combines storage, networking, and computing resources into a single, integrated platform, allowing for easier management and scalability. We could implement a hyper-converged solution within a few hours. This infrastructure is helping us by adding capacity on demand, without vendor lockdown. Even achieving disaster Recovery (dR) is much simpler and it supports multi-hypervisor environments. Besides easing datacenter migrations, Company do not have to make upfront investments now.

  Over the period KPIT IT has expanded the use of Hyper-converged infrastructure (HCI) for running the critical workload. As businesses continue to generate and rely on more data than ever before, HCI is becoming an increasingly de facto standard for data center expansion.

  One of the main benefits of HCI is its ability to scale quickly and easily. With traditional data center infrastructure, adding new servers, storage arrays, and network switches can be a time-consuming and expensive process. With HCI, however, adding additional resources is as simple as adding a new node to the existing cluster. This allows us to quickly and easily expand data center as the needs grow, without incurring significant additional costs. Another advantage of HCI is its simplified management interface. Instead of having to manage multiple systems for storage, networking, and computing, HCI provides a single interface for managing all resources. This not only makes it easier to manage the data center but also helps to reduce the risk of errors and misconfigurations that can lead to downtime and data loss. HCI has also helped to reduce data center footprint and power consumption. Because it integrates all resources into a single platform, there is less hardware to manage, which leads to significant cost savings on power and cooling. Currently, around 90% of the critical workload is running on the HCI infrastructure.

  The following Environmental Returns are achieved: Hyperconverged Infrastructure has helped us in saving power, cooling, and space by an additional 30%. We could also optimize the asset ratio from 7 to 1 for the same computer capacity in the datacenter. We continued investing into this technology last year too and the organization is reaping its benefits.

- **Virtual Desktop Environment**

  The latest version & enhanced capacity has been brought to virtual desktop environment. Implementations to make processes more efficient, increased automation, security and deploy IT to make collaboration across geographies easier. The Company has deployed the most advanced technologies for its processes. These deployments are scalable and future ready to support changing work styles, information security criteria and the changing usage patterns of computing devices.

  Solution: KPIT decided to shift from conventional desktop technology to Virtual Desktop Interface (VDI). The following operational aspects were considered while implementing the VDI solution: deliver on-demand services for users Increase IT efficiency, simplify management, Ensure software compliance. Though KPIT was already evaluating a virtualization solution that was deployed in a limited environment, it had not explored the idea of transitioning the core ERP processes onto the virtualized environment but had transitioned only the less critical ones. Taking a step further toward optimizing energy requirement and consumption, KPIT decided to increase use of virtualization technology.

  Solution and technology deployed:

  HCI (Leading OEMs) & VDI (thin client) based infrastructure platforms.

  Following Environmental Returns were achieved after deployment of VDI:

  1. Energy savings: More than 60% reduction in energy consumption was achieved by moving to the private cloud platform (including new technologies like hyper converged) with vdI as compared to using conventional computers. Cisco Unified Computing System, which is included as part of the private cloud platform, delivers high-memory capacity to support a large number of virtual machines on each blade server, thus reducing the amount of physical equipment to be powered and cooled. The desktop computers that consume around 150 watts of electricity, were replaced with very small devices called thin clients that consume just 30 watts. This

has resulted in energy savings of approximately 3,00,000 units per year amounting to 375 MT of Co2 emission.

2. Reduction in e-waste: Almost 90% reduction in e-waste generation was achieved due to the increased IT hardware refreshment cycle for desktops, laptops, and workstations. The lifespan of the above-mentioned hardware is about five years due to high resource requirement, capacity, and performance demand, and due to newer operating systems, application software and tools. Being a technology provider, it is extremely important for us to update our IT hardware platform and ready it for next generation development tools. The thin client on the other hand has more than eight years of lifespan. Till that time, it does not require upgrades or replacement as all the resources such as computing power, memory and disk space are accessed through VDI setup hosted in the datacenter. Under this infrastructure, we deployed 600 VDIs for the business users.

3. Reduced IT Asset Ratio from 1.20:1 to 1.10:1: VDI environment enables multiple users to access their accounts using a single machine without compromising on the security aspect. Before deploying the virtual desktop environment, the asset-to-employee ratio was 1.20:1. This meant that much of the IT infrastructure was underutilized and was consuming more natural resources. After the deployment of the Private Cloud platform with VDI, the asset ratio has reduced to 1.10:1 thereby reducing the computer hardware consumption by 10%.

4. Workplace utilization increased by 10%: The VDI helped in improving the utilization and flexibility of IT assets. Users can access their desktop, applications and data from any location, without compromising on the security of the system. In addition, employees can connect to corporate resources using any of the personal devices like iPads, Windows and Android based mobiles, thus enabling Consumerization of IT. This has led to workplace flexibility and optimal utilization of workspaces.

5. Reduction in travel across locations: KPIT has deployed the best of the solutions such as Cisco Telepresence (Audio/Video conferencing) & Microsoft Teams across the offices and Cisco WebEx for better collaborations. With these solutions, our users can have conference meetings from anywhere and through any device. Even our business reviews, recruitment and customer meetings are conducted using these technologies. It has been observed that overall business travel across the globe has been reduced by 25%. As this is a unified collaboration platform, end user productivity is also substantially improved.

One KPIT experience for newly acquired entities:

Upon acquiring the new entity, KPIT IT could leverage its experience and expertise to help integrate new entity into our operations smoothly. We provided guidance and support based on our years of experience in the industry, sharing best practices and lessons learned to ensure a successful transition. We also facilitated knowledge collaboration sessions, where our team members shared their knowledge and expertise with the newly acquired entity's SME team, helping both teams to gain a deeper understanding of operations and processes. Through this collaborative approach, we were able to foster a culture of continuous learning and improvement, while also ensuring a seamless integration of the newly acquired entity into our organization. We continue sharing experience and supporting the success of the newly acquired entities, and we look forward to continued collaboration and growth in the future.

Key Objectives achieved –

1. One KPIT Experience.
2. Improved collaboration.
3. Effective project management.
4. Enhanced security for acquired entities.
5. Business continuity and disaster recovery.
6. Creating a global technology talent pool.

Research and Development (R&D) Activity

During the current year, the Company has not claimed any weighted deduction under section 35(2AB) of the Income Tax Act 1961 for in-house R&D expenditure, as the same is not available with effect from April 1, 2020.

Foreign Exchange Earnings and Outgo

Total foreign exchange earnings during the year have been ₹ 13,789 million (previous year ₹ 11,035 million) and foreign exchange outgo (including imports) has been ₹ 291 million (previous year ₹ 87 million).

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

Particulars of loans, guarantees or investments made during the year under review, pursuant to the provisions of Section 186 of the Act are as below:

Sr. No	Name of the subsidiary	Nature of transaction	Duration	Rate of Interest (%)	Amount (₹) in million	Purpose
1	KPIT Technologies GmbH, Germany	Investment in subsidiary	N.A.	N.A.	3557.96	Towards enabling business operations in Germany region
2	Qorix GmbH, Germany	Investment in subsidiary	N.A.	N.A.	44.52	Towards enabling business operations in Germany region for Middleware
3	PathPartner Technology Private Limited	Investment in subsidiary	N.A.	N.A.	404.75*	Acquisition of 20% non -controlling stake

*The amount of investment is the present value of consideration (gross amount of investment ₹440 million) as at the acquisition date.

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act

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 2”.

Update on Merger & Acquisition

During the year under review, the Company acquired Somit Solutions Limited (SOMIT), UK through KPIT Technologies (UK) Limited w.e.f. May 31, 2022. SOMIT operates in Automotive Diagnostics, after Sales information, warranty, compliance and homologation. It is acquired to complement KPIT’s aftersales diagnostics platform and to strengthen its positioning to cater to the multi-billion automotive aftersales industry and address higher value share in KPIT’s strategic clients and to add specialist talent to KPIT. The Total consideration for this acquisition is £ 7.68 million over a 3-year period.

Further, the Company acquired Technica Engineering GmbH, Technica Electronics Barcelona S.L., Technica Engineering Spain S.L. through KPIT Technologies GmbH and Technica Engineering Inc. through KPIT Technologies Inc., w.e.f. October 01, 2022, for a consideration of Euro 80 million. Technica group operates in Automotive, specializing in production-ready system prototyping (combination of network system architecture, hardware prototyping, integration), automotive ethernet products and tools for validation. This acquisition created across-the-stack expertise, offering a one-stop shop for the industry to transform towards SDV.

Material changes and commitments affecting the financial position of the Company

At the beginning of the year 2023, the World Economic Outlook (WEO) estimated a fall in global growth in the year 2023 and rise in 2024. The below major events / estimations shall play a vital role in shaping the world economy.

- Ongoing war in Ukraine continued to weigh on global economic activity.
- Rapid spread of COVID-19 in China dampened growth in 2022, but the recent reopening had paved the way for a faster-than-expected recovery.
- Global inflation is estimated to be reduced in the years 2023 and 2024.
- The present economic outlook remained downside as war in Ukraine could further escalate and as a result inflation continues to require tight monetary policies.
- Strong labor markets and solid wage growth could bolster consumer demand, while easing supply chain disruptions, could help cool inflation and limit the need for more monetary tightening.

Further, the WEO observed that India’s economic performance was affected due to the slowdown in global economic growth resulting from high inflation and the continuing war situation in Ukraine. However, robust sales of passenger vehicles in the year 2022 and rise in domestic air travel supported the economic growth. A significant domestic demand and favorable government initiatives are expected to help India remain as one of the fastest growing economies globally.

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

Significant and material orders

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

Enterprise Risk Management Policy

A policy to identify, assess, monitor and mitigate various risks to key business objectives of the Company is in place. A detailed information on Enterprise Risk Management is included in this Annual report.

Annual Return

The Annual Return of the Company for the financial year 2022-23 in Form MGT-7 has been uploaded on website of the Company i.e., www.kpit.com.

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 year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.

ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as on March 31, 2023, and of the profit of the Company for the year ended March 31, 2023.

iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) the annual financial statements have been prepared 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 are operating effectively and

vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CEO & CFO Certification

Certificate by Mr. Kishor Patil, CEO & Managing Director and Ms. Priyamvada Hardikar, Chief Financial Officer, pursuant to the provisions of regulation 17(8) of the SEBI (LODR) Regulations, 2015, for the year under review was placed before the Board of Directors of the Company at its meeting held on April 26, 2023.

A copy of such a 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 Companies Act, 2013.

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.

Acknowledgments

We take this opportunity to thank all the shareholders of the Company for their continued support.

We thank our customers, vendors, investors and bankers for their continued support during the year. We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, co-operation and support.

We further thank the governments of various countries where we have our operations. We 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) – Bengaluru, Pune and all other government agencies for their support and look forward for their continued support in future.

For and on behalf of the Board of Directors

Pune
July 25, 2023

S. B. (Ravi) Pandit
Chairman of the Board

Annexure 1

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 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(₹ in million except exchange rate)

Sr. No.	Name of the subsidiary	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency	Exchange rate as on the last date of the relevant financial year	Average exchange rate	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments (except in case of investment in subsidiaries/ associate companies/ joint ventures)	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed Dividend	% of shareholding
1	KPIT (Shanghai) Software Technology Co. Limited	15-Jan-19	NA	CNY	11.9603	11.7066	168.34	(66.83)	194.24	92.73	-	441.27	(62.22)	(0.26)	(62.48)	-	100%
2	KPIT Technologies (UK) Limited (Refer note i below)	15-Jan-19	NA	GBP	101.8728	97.1634	1,527.14	1,185.71	3,576.08	863.23	-	2,285.23	472.58	(32.44)	440.14	-	100%
3	KPIT Technologies Netherlands B.V.	15-Jan-19	NA	EUR	89.6076	83.9864	44.80	347.55	596.46	204.11	-	889.56	133.27	(31.09)	102.18	-	100%
4	KPIT Technologies GmbH (Refer note ii below)	15-Jan-19	NA	EUR	89.6076	83.9864	1,528.10	4,431.22	12,250.60	6,291.28	-	7,273.42	271.07	(59.20)	211.87	-	100%
5	MicroFuzzy Industrie-Elektronic GmbH (Refer note iii below)	15-Jan-19	NA	EUR	89.6076	83.9864	2.33	89.83	2,898.58	2,806.87	0.45	4,218.28	173.33	16.80	190.12	-	100%
6	KPIT Technologias Ltda. (Refer note iv below)	15-Jan-19	NA	BRL	16.1970	15.6708	0.02	106.96	134.79	27.81	-	251.96	69.85	(22.80)	47.05	-	100%
7	KPIT Technologies GK (Refer note v below)	02-Apr-18	NA	JPY	0.6180	0.5945	16.93	408.41	1,501.55	1,076.21	-	2,648.88	74.36	(27.44)	46.93	-	100%
8	KPIT Technologies Holding Inc.	06-Sep-18	NA	USD	82.2169	80.5947	1,397.69	(0.40)	1,397.82	0.53	-	-	1.52	-	1.52	-	100%
9	KPIT Technologies Inc. (Refer note vi below)	03-Apr-18	NA	USD	82.2169	80.5947	411.08	1,179.53	4,229.77	2,639.16	-	11,500.40	71.23	36.15	107.39	-	100%
10	ThaiGerTec Co. Ltd. (Refer note vii below)	01-Apr-19	NA	THB	2.4013	2.2807	38.42	49.32	95.54	7.80	-	189.83	4.83	-	4.83	-	100%
11	PathPartner Technology Private Limited (Refer note viii below)	19-Oct-21	NA	INR	1.0000	1.0000	10.98	474.31	720.54	235.25	-	1,032.81	199.08	(54.48)	144.60	-	80%
12	PathPartner Technology Inc. (Refer note ix below)	19-Oct-21	NA	USD	82.2169	80.5947	4.11	64.94	142.21	73.16	-	411.94	14.71	(1.11)	13.60	-	80%
13	PathPartner Technology GmbH (Refer note ix below)	19-Oct-21	NA	EUR	89.6076	83.9864	6.72	(6.58)	6.24	6.10	-	5.22	(2.21)	-	(2.21)	-	80%
14	Technica Engineering GmbH (Refer note iii below)	01-Oct-22	NA	EUR	89.6076	83.9864	3.36	1,085.25	2,480.84	1,392.23	-	2,624.87	188.12	(37.79)	150.32	-	100%
15	Technica Electronics Barcelona S.L. (Refer note iii below)	01-Oct-22	NA	EUR	89.6076	83.9864	0.30	113.99	237.70	123.41	-	129.52	49.43	(12.36)	37.07	-	100%
16	Technica Engineering Spain S.L. (Refer note iii below)	01-Oct-22	NA	EUR	89.6076	83.9864	0.30	2.73	18.96	15.93	-	31.84	3.46	(0.89)	2.56	-	100%

(₹ in million except exchange rate)

Sr. No.	Name of the subsidiary	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency	Exchange rate as on the last date of the relevant financial year	Average exchange rate	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments (except in case of investment in subsidiaries/ associate companies/ joint ventures)	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed Dividend	% of shareholding
17	Technica Engineering Inc. (Refer note x below)	01-Oct-22	NA	USD	82.2169	80.5947	0.08	79.59	273.39	193.72	-	214.93	48.11	(23.67)	24.44	-	100%
18	KPIT Technologies SAS (Refer note xi below)	23-Sep-22	NA	EUR	89.6076	83.9864	8.96	(12.91)	38.17	42.12	-	16.01	(12.10)	-	(12.10)	-	100%
19	Somit Solutions Limited (Refer note xii below)	31-May-22	NA	GBP	101.8728	97.1634	0.02	63.55	104.64	41.07	-	140.81	4.56	(2.63)	1.92	-	100%
20	Somit Solutions Inc. (Refer note xiii below)	31-May-22	NA	USD	82.2169	80.5947	2.30	10.80	86.32	73.22	-	178.82	27.29	(5.81)	21.48	-	100%
21	Qorix GmbH	10-Mar-23	NA	EUR	89.6076	83.9864	44.80	-	44.80	-	-	-	-	-	-	-	100%

Notes :

i. Includes branch KPIT Technologies (UK) Limited Filial and KPIT Technologies (UK) Limited Italy Branch.

ii. 72.73% owned by KPIT Technologies (UK) Limited and 27.27% owned by KPIT Technologies Limited, India

iii. 100% owned by KPIT Technologies GmbH, Germany

iv. 99.9% owned by KPIT Technologies Limited, India and 0.1% owned by KPIT Technologies Holding Inc., USA

v. Includes branch KPIT Technologies GK, Korea

vi. 100% owned by KPIT Technologies Holding Inc., USA

vii. 98.31% owned by KPIT Technologies (UK) Limited, 0.06% owned by KPIT Technologies Limited, India and 1.63% owned by KPIT Technologies GmbH, Germany

viii. 80% owned by KPIT Technologies Limited, India

ix. 100% owned by PathPartner Technology Private Limited, India

x. 100% owned by KPIT Technologies Inc., USA

xi. 100% owned by KPIT Technologies Netherlands B.V.

xii. 100% owned by KPIT Technologies (UK) Limited

xiii. 100% owned by Somit Solutions Limited, UK

xiv. Name of subsidiary which has been liquidated during the current year

a) KPIT Technologies Pte Ltd., Singapore (Striking off completed on 4 July 2022)

For and behalf of the Board of Directors

S. B. (Ravi) Pandit
Chairman of the Board

Pune
July 25, 2023

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013, related to Associate Companies and Joint Ventures

Sr. No.	Name of Joint Venture	FMS Future Mobility Solutions GmbH
1	**Latest audited Balance Sheet date**	31 December 2022
2	**Shares of Joint Venture held by the company on the year end**	
i	Number of shares	100,001
ii	Amount of investment in Joint Venture	₹ 252.22 million
iii	Extend of holding (%)	25.00%
3	**Description of how there is significant influence**	Not applicable as it is a joint venture
4	**Reason why the joint venture is not consolidated**	We follow equity method of accounting as per IND AS 28 - Investments in Associates and Joint Ventures, hence, only share of profit or loss is considered.
5	**Net worth attributable to shareholding as per latest audited Balance Sheet**	₹ 40.81 million
6	**Profit for the year (Refer note b below)**	₹ 95.88 million
i	Considered in consolidation	₹ 23.97 million
ii	Not considered in consolidation	₹ 71.91 million

Notes:

a. **Name of associates or joint ventures which have been liquidated or sold during the current year**
   - Yantra Digital Services Private Limited (liquidated with effect from 23 August 2022)
   - PathPartner Interior Sensing Private Limited (investment sold on 23 September 2022)

b. Profit pertains to the financial year from 1 April 2022 to 31 March 2023.

For and behalf of the Board of Directors

Pune
July 25, 2023

S. B. (Ravi) Pandit
Chairman of the Board

Annexure 2

FORM NO. AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 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/ received as advances, if any:
(a)	**(b)**	**(c)**	**(d)**	**(e)**	**(f)**
1. **KPIT Technologies Inc., USA (KPIT USA)** [Subsidiary of **KPIT Technologies Holding Inc., USA**, which is a wholly Owned Subsidiary of **KPIT Technologies Limited (KPIT India)**]	Contract for providing offshore software development and consultancy services to **KPIT USA**	Contract shall be effective from **April 01, 2019** and shall be valid until terminated, as per the provisions of this agreement.	**KPIT India** will carry out the software development services, consultancy work and engineering designing activities as per the requirements of **KPIT USA;** **KPIT USA** will pay to **KPIT India** a specified percentage of the offshore revenue as prescribed in intercompany service agreement from time to time	As Contract was entered in to in ordinary course of business and at arm's length basis, approval by the Board was not required.	Nil
2. **KPIT Technologies (UK) Limited (KPIT UK) including Italy and Sweden branch.**[Wholly Owned Subsidiary of **KPIT Technologies Limited (KPIT India)**]	Contract for providing offshore software development and consultancy services to **KPIT UK**	Contract shall be effective from **April 01, 2019** and shall be valid until terminated, as per the provisions of this agreement	**KPIT India** will carry out the software development services, consultancy work and engineering designing activities as per the requirements of **KPIT UK**; **KPIT UK** will pay to **KPIT India** a specified percentage of the offshore revenue as prescribed in intercompany service agreement from time to time.	As Contract was entered in to in ordinary course of business and at arm's length basis, 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/ received as advances, if any:
(a)	(b)	(c)	(d)	(e)	(f)
3. **KPIT Technologies GK, Japan Including South Korea Branch (KPIT Japan)** [Wholly Owned Subsidiary of **KPIT Technologies Limited (KPIT India)**]	Contract for providing offshore software development and consultancy services to **KPIT Japan**	Contract shall be effective from **April 01, 2019** and shall be valid until terminated, as per the provisions of this agreement.	**KPIT India** will carry out the software development services, consultancy work and engineering designing activities as per the requirements of **KPIT Japan** **KPIT Japan** will pay to **KPIT India** a specified percentage of the offshore revenue as prescribed in intercompany service agreement from time to time.	As Contract was entered in to in ordinary course of business and at arm's length basis, approval by the Board was not required.	Nil
4. **KPIT Technologies GmbH, Germany (KPIT Germany)** [Subsidiary of **KPIT Technologies (UK) Limited** which is a wholly Owned Subsidiary of **KPIT Technologies Limited (KPIT India)**]	Contract for providing offshore software development and consultancy services to **KPIT Germany**	Contract shall be effective from **April 01, 2019** and shall be valid until terminated, as per the provisions of this agreement.	**KPIT India** will carry out the software development services, consultancy work and engineering designing activities as per the requirements of **KPIT Germany;** **KPIT Germany** will pay to **KPIT India** a specified percentage of the offshore revenue as prescribed in intercompany service agreement from time to time.	As Contract was entered in to in ordinary course of business and at arm's length basis, approval by the Board was not required.	Nil

For and behalf of the Board of Directors

Pune
July 25, 2023

S. B. (Ravi) Pandit
Chairman of the Board

Annexure 3A

Statement of employees covered under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Employee Name	Age (Yrs.)	Designation	Qualification	Exp. (Yrs.)	Date of joining	Remuneration received (₹ in million)	Particulars of previous employment
Part A: Particulars of employees who were in employment throughout the financial year and are in receipt of remuneration of not less than ₹ 1,02,00,000/- p.a. in aggregate.							
Kishor Patil	61	CEO & Managing Director	Chartered Accountant & Cost Accountant	39	08-Jan-18*	50.48	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Sachin Tikekar	55	President and Joint Managing Director	MBA (Strategic Management & International Finance)	29	08-Jan-18*	45.01	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Anup Sable	54	CTO & Whole-time Director	B.E. (Mechanical)	35	22-Dec-21^	12.85	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Chinmay Pandit	44	Head of Geography - America & Whole-time Director	Chartered Accountant & MBA	21	26-Jul-22^	25.28#	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Chinmay Pandit	44	Executive Vice President	Chartered Accountant & MBA	21	01-Jan-19**	11.01$	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Rajesh Janwadkar	53	Executive Vice President	Bachelor of Engineering	34	01-Jan-19**	11.92	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Pushpahas Joshi	48	Executive Vice President	Bachelor of Engineering	29	01-Jan-19**	11.07	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Priyamvada Hardikar	51	Chief Financial Officer	Cost Accountant	30	01-Jan-19**	10.68	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Part B: Particulars of employees who were in employment for part of the financial year and are in receipt of remuneration of not less than ₹ 8,50,000/- p.m.							
Chandrashekhar Sonsale	63	Vice President	M.Com	36	01-Jan-19**	6.65	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Saravanan K	55	Director (Delivery)	Bachelor of Engineering	33	01-Jan-19**	1.67	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Santosh B Sandbhor	47	Delivery Manager	Masters in Computer Application	24	01-Jan-19**	1.65	KPIT Technologies Limited (renamed as Birlasoft Limited)**

* Mr. Kishor Patil and Mr. Sachin Tikekar have been appointed as the directors of the Company since the date of incorporation.

** As a result of demerger, the employees have been transferred from KPIT Technologies Limited (renamed as Birlasoft Limited) to the Company with effect from the appointed date as per the Composite Scheme i.e. January 1, 2019

Mr. Chinmay Pandit received remuneration from KPIT Technologies Inc. USA, wholly owned subsidiary of the Company in USD (equivalent in INR).

$ Mr. Chinmay Pandit being deputed on secondment in USA as Executive Vice President - Commercial Vehicle vertical, received remuneration from KPIT Technologies Inc. USA, wholly owned subsidary of the Company in USD (equivalent in INR) including amount received towards balance VPI from the Company.

^ Date of appointment as an Executive Director.

Notes:

1. Remuneration comprises basic salary, allowances and taxable value of perquisites.
2. Remuneration does not include Company's contribution to provident fund and actuarial valuation of gratuity.
3. Employees mentioned above are not relatives of any director of the Company, except Mr. Chinmay Pandit, who is related to Mr. S. B. (Ravi) Pandit, Chairman of the Board.
4. Employees mentioned above except Mr. Kishor Patil do not hold two percent or more of the paid up equity share capital of the Company as per Clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
5. The nature of employment is contractual in all the above cases.

For and behalf of the Board of Directors

Pune
July 25, 2023

S. B. (Ravi) Pandit
Chairman of the Board

Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Top ten employees in terms of remuneration drawn during the year

Employee Name	Age (Yrs.)	Designation	Qualification	Exp. (Yrs.)	Date of joining	Remuneration received (₹ in million)	Particulars of previous employment
Kishor Patil	61	CEO & Managing Director	Chartered Accountant and Cost Accountant	39	08-Jan-18*	50.48	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Sachin Tikekar	55	President and Joint Managing Director	MBA (Strategic Management & International Finance)	29	08-Jan-18*	45.01	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Anup Sable	54	CTO & Whole-time Director	B.E. (Mechanical)	35	22-Dec-21^	12.85	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Chinmay Pandit	44	Head of Geography - Americas & Whole-time Director	Chartered Accountant & MBA	21	26-July-22^	25.28#	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Rajesh Janwadkar	53	Executive Vice President	Bachelor of Engineering	34	01-Jan-19**	11.92	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Pushpahas Joshi	48	Executive Vice President	Bachelor of Engineering	29	01-Jan-19**	11.07	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Priyamvada Hardikar	51	Chief Financial Officer	Cost Accountant	30	01-Jan-19**	10.68	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Nishant Tholiya	47	Vice President - Business Leader	B.E. (Electronics & Telecommunication)	28	01-Jan-19**	9.54	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Suneel Pandita	57	Vice President	Doctorate in materials science	25	27-Jun-19	9.43	Boeing International
Manaswini Rath	49	Practice Head	M.S. (Industrial Electronics)	29	01-Jan-19**	9.09	KPIT Technologies Limited (renamed as Birlasoft Limited)**

* Mr. Kishor Patil and Mr. Sachin Tikekar have been appointed as the directors of the Company since the date of incorporation.

** As a result of demerger, the employees have been transferred from KPIT Technologies Limited (renamed as Birlasoft Limited) to the Company with effect from the appointed date as per the Composite Scheme i.e. January 1, 2019.

Mr. Chinmay Pandit received remuneration from KPIT Technologies Inc. USA, wholly subsidary of the Company in USD (equivalent in INR).

^ Date of appointment as an Executive Director.

For and behalf of the Board of Directors

S. B. (Ravi) Pandit
Chairman of the Board

Pune
July 25, 2023

Annexure 3B

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	**Names**	**Ratio**
		Mr. S. B. (Ravi) Pandit	9.77
		Mr. Kishor Patil#	47.46
		Mr. Sachin Tikekar#	42.32
		Mr. Anup Sable#	12.08
		Mr. Chinmay Pandit*	Not Applicable
		Prof. Alberto Sangiovanni Vincentelli	4.62
		Mr. B V R Subbu	3.73
		Mr. Anant Talaulicar	6.35
		Dr. Nickhil Jakatdar	2.51
		Ms. Bhavna Doshi	3.57
		Prof. Rajiv Lal	3.74
		# Remuneration does not include amount of Provident Fund. The Company decides the remuneration of its Managerial Personnel on the basis of Cost to Company (CTC), whereas, under the provisions of the Act, the managerial remuneration is calculated as per the Income Tax Act, 1961. The reported figures look higher or lower depending on the components of the CTC.	
		* Not applicable as figures for 2022-23 are for the part of the year.	
ii	The percentage increase in remuneration of each Director, CFO, CS in the financial year	**Names**	**Percentage**
		Mr. S. B. (Ravi) Pandit	34.03
		Mr. Kishor Patil#	12.37
		Mr. Sachin Tikekar#	7.47
		Mr. Anup Sable#	404.32
		Mr. Chinmay Pandit*	Not Applicable
		Prof. Alberto Sangiovanni Vincentelli	21.02
		Mr. B V R Subbu	20.53
		Mr. Anant Talaulicar	37.16
		Dr. Nickhil Jakatdar	27.58
		Ms. Bhavna Doshi	203.81
		Prof. Rajiv Lal	745.22
		Ms. Priyamvada Hardikar	16.66
		Ms. Nida Deshpande	20.20
		# The Company decides the remuneration of its Managerial Personnel on the basis of CTC, whereas, under the provisions of the Act, the managerial remuneration is calculated as per Income Tax Act, 1961. Actual remuneration includes VPI paid for H2 of previous year and H1 of current year.	
		* Not Applicable as figures for 2022-23 are for the part of the year.	

Sr. No.	Particulars	Disclosure
iii	The percentage increase in the median remuneration of employees in the financial year	12.00%
iv	The number of permanent employees on the rolls of the Company	7,947 employees as on March 31, 2023.
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 15% Average increase in the remuneration of Directors and Key Managerial Personnel is 39.95%
vi	It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company.	

For and behalf of the Board of Directors

Pune
July 25, 2023

S. B. (Ravi) Pandit
Chairman of the Board

Annexure 4

A. Summary of Status of ESOPs Granted

The position of the existing scheme is summarized as under -

I. Details of the ESOP/ESOS/ESPS

Sr. No.	Particulars	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme	RSU 2022 Scheme
1	Date of Shareholder's Approval	29-Aug-18	23-Jul-19	23-Jul-19	24-Aug-22
2	Total Number of Options approved	18,07,450	41,28,493	40,000	41,12,157
3	Vesting Requirements	Pursuant to the Scheme of Arrangement and the Applicable Law, Company has taken into account the Vesting Period completed under the KPIT ESOPs prior to the Grant of Options to the Employee under the ESOP 2019.	The Options would vest not earlier than statutory minimum Vesting Period of 1 (One) year and up to the maximum period of 4 (Four) years from the date of Grant of Options or such period as may be decided by the Committee at the time of each Grant of Options.	Not Applicable to the scheme as there are no Options granted or vested under the Scheme.	Not earlier than minimum Vesting Period of 1 (One) year and not later than maximum Vesting Period of 4 (Four) years from the date of Grant.
4	The Pricing Formula	The Exercise Price per Option shall be determined by the Committee which shall not be lesser than the face value of the Share as on date of Grant of such Option. The specific Exercise Price shall be intimated to the Option Grantee in the letter of Grant at the time of Grant.	Exercise price will be the Market Price of the Company, subject to the condition that the Exercise Price will not be less than the face value of the share (₹ 10/-) under any circumstances.	The Offer Price per Share shall be such price being not less than the face value of a Share of the Company at the time of the Offer.	Exercise Price per RSU shall be the face value of Shares as on date of exercise.
5	Maximum term of Options granted (years)	Pursuant to the Scheme of Arrangement and the Applicable Law, Company has taken into account the Vesting Period completed under the KPIT ESOPs prior to the Grant of Options to the Employee under the ESOP 2019.	The Exercise Period in respect of an Option shall be subject to a maximum period of 5 (Five) years from the date of Vesting of such Option.	Not applicable to the Scheme.	Maximum exercise period of 5 (five) years from the date of last vesting of RSUs.

Sr. No.	Particulars	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme	RSU 2022 Scheme
6	Method of Settlement	Settlement by issue of Equity shares		Not applicable to the Scheme.	Settlement by issue of Equity shares.
7	Source of shares	These schemes use shares issued by Company vide order passed on November 29, 2018 by Mumbai Bench of Hon'ble National Company Law Tribunal (NCLT) for the Composite Scheme of Arrangement amongst Birlasoft (India) Limited ("Transferor Company") and KPIT Technologies Limited ("Transferee Company") and KPIT Engineering Limited ("Company or Resulting Company") and their respective shareholders.			The Plan contemplates use/ acquisition of shares from two sources- (i) up to 1,000,000 (Ten lakh) Shares from the secondary acquisition through the existing Trust; and (ii) balance up to 3,112,157 (Thirty One lakh Twelve Thousand One Hundred and Fifty Seven) Shares from the fresh issue by the Company.
8	Variation in terms of the Scheme	NIL	On June 30, 2020, the shareholders approved the amended ESOS 2019A Scheme with the variation of the exercise price per option from 'market price per share as on date of grant' to 'not less than face value of the shares as on date of grant of option as determined by the Nomination & Remuneration (HR) Committee of the Board of Directors of the Company. Further, the shareholders in the Annual General Meeting held on August 24, 2022 approved the amendment in the scheme for creation of additional reserve of 3,34,570 options.	NIL	NIL

II. Option Movement during the year ended March 2023

Sr. No.	Particulars	ESOP 2019 Scheme		ESOS 2019A Scheme		ESPS 2019 Scheme		RSU 2022 Scheme	
		No. of Options	Wt. Avg Exercise Price	No. of Options	Wt. Avg Exercise Price	No. of shares	Wt. Avg Exercise Price	No. of shares	Wt. Avg Exercise Price
1	No. of Options Outstanding at the beginning of the year	2,10,300**	45.75	31,30,440	10.00	25	10.00	NA	NA
2	Options Granted during the year	0	0.00	2,41,250	10.00	0	NA	NA	NA
3	No. of additional shares offered during the year	0	0.00	0	0.00	0	NA	NA	NA
4	Options/ shares Forfeited / Surrendered during the year	2,800	44.96	1,61,500	10.00	0	NA	NA	NA
5	Options/ shares Lapsed during the year	2,100	44.96	2,700	NA	0	NA	NA	NA
6	Options/ shares Exercised during the year	84,600	44.96	4,96,665	10.00	25	10.00	NA	NA
7	Total number of shares arising as a result of exercise of options	84,600	NA	4,96,665	10.00	25	10.00	NA	NA
8	Money realised by exercise of options (Rs.)	38,03,616	NA	49,66,650	NA	0	NA	NA	NA
9	Number of options/ shares Outstanding at the end of the year	1,20,800	46.34	27,10,825	10.00	0	NA	NA	NA
10	Number of Options/ shares exercisable at the end of the year	1,20,800	46.34	11,12,925	NA	0	NA	NA	NA

** A total of 1,807,450 options were issued under ESOS 2019 scheme which was introduced with a view to give fair and reasonable adjustments to the respective employees of the Demerged Company (erstwhile KPIT Technologies Limited renamed as Birlasoft Limited) and the Company (KPIT Engineering Limited renamed as KPIT Technologies Limited) pursuant to Composite Scheme of Arrangement between the Demerged Company and the Company. These grants were duly intimated to stock exchanges as per SEBI (LODR) Regulations, 2015.

III. Weighted Average Remaining Contractual Life

Range of Exercise Price	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme	RSU 2022 Scheme
	Weighted Avg Contractual Life (in Years) as on 31st March 2023			
0 to 50	0.30	4.93	0.00	NA
No. of Options Outstanding	1,00,800	27,10,825	0.00	NA
50 to 100	2.07	0.00	NA	NA
No. of Options Outstanding	20,000	0	NIL	NA
100 to 150	NA	NA	NA	NA
No. of Options Outstanding	NIL	NIL	NIL	NA
150 to 200	NA	NA	NA	NA
No. of Options Outstanding	NIL	NIL	NIL	NA

IV. Weighted Average Fair Value of Options granted during the year ended March 2023 whose

Sr. No.	Particulars	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme	RSU 2022 Scheme
(a)	Exercise price equals market price	No Options Granted during FY 2022-23	NA	No Options Granted during FY 2022-23	No Options Granted during FY 2022-23
(b)	Exercise price is greater than market price		NA		
(c)	Exercise price is less than market price		575.82		

V Particulars	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme	RSU 2022 Scheme
The weighted average market price of options exercised during the year ended March 2023	75.60	536.23	NIL	NA

VI. Employee-wise details of options granted during the financial year 2022-23 to:

(i) Senior Managerial Personnel

Sr. No.	Name of the Employee	No. of Options Granted	No. of Options Granted	No. of Options Granted	No. of Options Granted
1	Rajeev Kulkarni	No Options Granted during FY 2022-23	20,000	NA	NA
2	Priyamvada Hardikar		10,000		
3	Anup Sable		10,000		
4	Divyesh Desai		5,000		
5	Anjana Reddie		5,000		

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

Particulars	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme	RSU 2022 Scheme
	No. of Options Granted	No. of Options Granted	No. of Options Granted	No. of Options Granted
Name of the Employee	No Options Granted during FY 2022-23	None of the employees were granted more than 5% or more of the options granted during the year	NA	NA

(iii) Identified employees who were granted option, 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.

Particulars	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme	RSU 2022 Scheme
	No. of Options Granted	No. of Options Granted	No. of Options Granted	No. of Options Granted
Name of the Employee	No Options Granted during FY 2022-23	None of the employees were granted more than 1% or more of the options granted during the year	NA	NA

VII. Method and Assumptions used to estimate the fair value of options granted during the year ended March 2023

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

The Assumptions used in the model are as follows:

Variables	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme	RSU 2022 Scheme
	Weighted Avg	Weighted Avg	Weighted Avg	Weighted Avg
1. Risk Free Interest Rate %	No Options Granted during FY 2022-23	5%	NA	NA
2. Expected Life (in years)		3.76	NA	NA
3. Expected Volatility %		50.13%	NA	NA
4. Dividend Yield %		0.36%	NA	NA
5. Exercise Price		10.00	NA	NA
6. Price of the underlying share in market at the time of the option grant.(Rs.)		488.68	NA	NA

Assumptions

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 is the period for which the Company expects the options to be live.

Expected divided 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:

Sr. No.	Particulars	31-Mar-23
1	Employee Option Plan Expense	11,36,88,673
2	Total Liability at the end of the period	27,09,84,133

IX. Details related to Trust:

Pursuant to Composite Scheme of Arrangement amongst Birlasoft (India) Limited ("Transferor Company") and KPIT Technologies Limited ("Transferee Company") (renamed as Birlasoft Limited) and KPIT Engineering Limited ("Resulting Company/the Company") (renamed as KPIT Technologies Limited) and their respective shareholders, KPIT Technologies Employees Welfare Trust has been transferred to the Company.

The details in connection with transactions made by the Trust meant for the purpose of administering the schemes under the regulations are :

Details related to Trust					
General Information of the Scheme					
Particulars	**Details**				
Name of the Trust	**KPIT Technologies Employees Welfare Trust**				
Details of the Trustee(s)	**Sr. No.**	**Name**	**Address**	**Occupation**	**Nationality**
	1	Mr. Shriharsh Ghate	68 Shailesh Society, Ganesh Nagar, Pune - 411052.	Service	Indian
	2	Mr. Sudheer Tilloo	Amit Blossom, 12th Lane, Prabhat Road, Pune - 411004.	Service	Indian
	3	Mr. Suhas Deshpande	101, Bhosale Saptasur Apts, Plot No -61/62, Bhosale Nagar, Pune -411007.	Service	Indian
Amount of loan disbursed by Company / any Company in the group, during the year	NIL				
Amount of loan outstanding (repayable to Company / any Company in the group) as at the end of the year	NIL				
Amount of loan, if any, taken from any other source for which Company / any Company in the group has provided any security or guarantee	NIL				
Any other contribution made	NIL				

Brief details of transactions in shares by the Trust

Particulars	Details	
Number of shares held at the beginning of the year	4,127,233	
Number of shares acquired during the year through		
primary issuance	NIL	
secondary acquisition	407,500	
percentage of paid-up equity capital as at the end of the previous financial year	NIL	
Number of shares transferred to the employees / sold along with the purpose thereof	**Number of shares transferred to the employees / sold during the year**	**purpose for transfer of shares to the employees / sold during the year**
	737,315	KPIT Technologies Employees Welfare Trust ("Trust"), is a trust formed for employee welfare activities, which includes, administration of our Company's Employee Stock Option Plan ("ESOP") Schemes. As part of its operations, the Trust is allotted shares by the Company and the Trust, in turn, transfer to the employees and sells such shares in the course of administration of the ESOP schemes. The holding of shares and the sale/ transfer of shares by the Trust, is done on behalf of the employees.
Number of shares held at the end of the year	3,797,418	

In case of secondary acquisition of shares by the Trust

Particulars	Number of shares	As a percentage of paid-up equity capital at the end of the year immediately preceding the year in which shareholders' approval was obtained.
Held at the beginning of the year	2,636,854	0.96
Acquired during the year	407,500	0.15
Sold during the year	0	0.00
Transferred to the employees during the year	737,315	0.27
Held at the end of the year*	2,307,039	0.84

*All these secondary shares are backed by outstanding options (grants) except acquired during the year.

For and on behalf of Board of Directors

Pune
July 25, 2023

S.B. (Ravi) Pandit
Chairman of the Board

Annexure 5

Annual Report on CSR Activities

1. Brief outline on CSR Policy of the Company:

   Corporate Social Responsibility (CSR) has been an intrinsic part of KPIT's philosophy since its inception. Being a socially responsible business organization, we continue to push the bar higher through technology and innovation driven CSR activities. We believe that it is our moral responsibility to give back to the community, which in so many ways have contributed to our success and helped our business grow.

   KPIT's Corporate Social Responsibility ("CSR") policy is aligned to have a stronger commitment towards the community. We demonstrate this commitment across all the regions of KPIT's global presence. The policy aims to create long-lasting impact across the focus areas of education, environment and employee engagement. We firmly believe, through technology and innovation, KPIT can add significant values to the communities worldwide.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Anant Talaulicar	Chairman	2	2
2	Mr. S. B. (Ravi) Pandit	Member	2	2
3	Mr. Sachin Tikekar (Upto July 26, 2022)	Member	1	1
4	Mr. Anup Sable (w.e.f. July 26, 2022)	Member	1	1

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company: https://www.kpit.com/investors/policies-reports-filings/

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.: **Not Applicable**

5. a) Average net profit of the company as per section 135(5): ₹ **2,091,589,532**

   b) Two percent of average net profit of the company as per section 135(5): ₹ **41,831,790**

   c) Surplus arising out of the CSR projects or programs or activities of the previous financial years: **NIL**

   d) Amount required to be set off for the financial year, if any: **NIL**

   e) Total CSR obligation for the financial year ((b)+(c)-(d)): ₹ **41,831,790**

6. a) Amount Spent on CSR Projects (both Ongoing Project and other than ongoing projects): ₹ **39,762,986**

   b) Amount spent in Administrative Overheads: ₹ **2,092,789**

   c) Amount spent on Impact Assessment, if applicable: **NIL**

   d) Total amount spent for the Financial Year[(a)+(b) +(c)]: ₹ **41,855,775**

   e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
41,855,775	NIL	NA	NA	NIL	NA

Details of CSR spent during the financial year are included in Notes to Accounts in Standalone Financial Statements (Refer note 41) The total spent referred in the annexure below is direct spend off ₹ 41,855,775/- towards CSR activities and the Company has also spent employee participation cost ₹ 10,424,465/- over and above to its direct spent.

f) Excess amount for set off, if any: **NO**

Sr. No	Particulars	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per section 135(5)	41,831,790
(ii)	Total amount spent for the Financial Year	41,855,775
(iii)	Excess amount spent for the financial year [(ii)-(i)]	23,985
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	23,985

7. Details of Unspent CSR amount for the preceding three financial years: Nil

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance Amount in Unspent CSR Account under Section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any		Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
Nil								

8. Whether any capital assets have been created or acquired through CSR amount spent in the financial year: Yes/No

If yes, enter the number of Capital assets creates/acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered Address
Nil							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): N.A.

Pune
July 25, 2023

Kishor Patil
CEO & Managing Director

Anant Talaulicar
Chairman of CSR Committee

Annexure 6

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2023

[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,
KPIT Technologies Limited,
Plot No. 17, Rajiv Gandhi Infotech Park, MIDC- SEZ,
Phase III, Maan Taluka- Mulshi, Hinjawadi, Pune-411057.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KPIT Technologies 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 period covering the financial year ended on 31 March, 2023 (‘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, 2023 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) The 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, 2018 (**Not applicable to the Company during the Audit Period**);

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (**Not applicable to the Company during the 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, 2021; (**Not applicable to the Company during the Audit Period**) and

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 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 on test-check basis, 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 with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India; and

(ii) Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited read with 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 generally 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, the following specific event took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards.

- Acquisition of Technica Engineering GmbH, Technica Electronics Barcelona S.L. and Technica Engineering Spain S.L., through KPIT Technologies GmbH, (wholly owned step-down subsidiary) of the Company and Technica Engineering Inc., through KPIT Technologies Inc., (wholly owned step-down subsidiary).

Dr. K. R. Chandratre
FCS No.: 1370, C. P. No.: 5144
Unique Identification No: F001370E000196015
Peer Review Certificate No.: 1206/2021

Place: Pune
Date: 26 April 2023

This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

Annexure to the Secretarial Audit Report

To:
The Members,
KPIT Technologies Limited,
Plot No. 17, Rajiv Gandhi Infotech Park, MIDC- SEZ,
Phase III, Maan Taluka- Mulshi, Hinjawadi, Pune-411057.

My report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test-check basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, I have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test-check basis.

6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Dr. K. R. Chandratre
FCS No.: 1370, C. P. No.: 5144
Unique Identification No: F001370E000196015
Peer Review Certificate No.: 1206/2021

Place: Pune
Date: 26 April 2023

MANAGEMENT DISCUSSION AND ANALYSIS

Global economic review

In the first half of the fiscal year FY 2022-23, the global economy grappled with several headwinds including volatile food and commodity prices and elevated inflation. The war between Russia and Ukraine, which caused supply chain disruptions worldwide, exacted a heavy toll on the economy.

Supply chain constraints and market volatility have considerably dampened consumer sentiment and lowered capital outflows. Several nations continue to grapple with persistent demand-supply imbalances and decadal-high inflation rates. To tame inflation and achieve price stability, central banks around the world have responded with synchronised rate hikes and tightened monetary policies.

In H2 of FY23, the global economy appears poised for a gradual recovery from the waning effects of the pandemic and geopolitical tensions. The global economic output is expected to witness steady growth, driven by stabilising inflationary pressures, reviving consumer sentiment and investor confidence. The employment scenario in the US and other advanced economies has recovered from pandemic levels and rising disposable income is also likely to support growth in the coming years, even though the instability in the banking system in the US may have global ramifications. The rate hike cycle of central banks is peaking as inflation is gradually stabilising.

The IMF's World Economic Outlook, April 2023, reports that global growth will register a growth of 2.8% this year before climbing to 3.0% in 2024. In comparison, advanced economies are projected to display a growth rate of 1.3% in CY23. Global inflation is expected to gradually decline, although slower than initially anticipated, from 8.7% in 2022 to 7.0% this year and 4.9% in 2024.

Headline inflation in the G20 economies is expected to decline to 4.5% in CY2024 from 8.1% in CY2022. Core inflation in the G20 advanced economies is projected to average 4.0% in CY2023 and 2.5% in CY2024[1].

Indian economic review

The Indian economy demonstrated resilient growth amid geopolitical tensions and high inflation-induced global economic headwinds. India has emerged as one of the fastest-growing major economies worldwide and, according to the second advance estimates of the National Statistical Office (NSO), the real GDP growth has been 7.2% in FY23.

India is further expected to grow at a much faster pace throughout the next fiscal year. According to IMF, India and China are going to collectively contribute over 50% to the global growth.

India, having the largest youth population in history, is witnessing a significant rise in the availability of fresh and skilled talent, particularly in the field of technology. This influx of talented individuals is poised to propel the country towards enhanced performance and overall development, fostering a holistic growth trajectory.

Moreover, over the past few years, there has been a consistent rise in the capital expenditure across almost all sectors in the Indian economy. The YoY increase in FY 2021-22 has been sharp following a steady growth in FY 2022-23. This will further expand new opportunities and establish a stable and sustained economic growth in the country.

Industry trends

The automotive sector is gradually reviving from one of the most challenging periods. The industry has faced a massive slowdown for the last couple of years due to the pandemic. Now that the automotive industry is slowly getting back on its feet, it is facing tougher situations primarily driven by chip shortages, global economic slowdowns, price shocks, and so on. Despite the roadblocks, the sector is set to witness increased adoption of EVs, the introduction of Internet of Things (IoT) features in automobiles and so on.

In CY23, the automotive industry is set to face global headwinds such as the energy crisis, slower global demand, and ongoing supply-chain issues. Despite these challenges, global new-vehicle sales are projected to remain flat, with new-car sales increasing. Global car sales will increase by 3.8% YoY (year on year) to 84.1 million vehicle units in CY 2023[2].

Despite the challenges faced by the automotive industry, the consumer Electric Vehicle (EV) market, including Plug-in Hybrid Electric Vehicles (PHEVs), has shown remarkable performance. In CY2022, global EV sales witnessed a significant growth of 60.8%, reaching 10.7 million units. This growth trend is expected to continue in CY2023, albeit at a slower pace, with an anticipated

[1]https://www.imf.org/external/datamapper/PCPIPCH@WEO/OEMDC

[2]https://www.eetindia.co.in/global-car-sales-projected-to-rebound-in-2023/

year-on-year increase of 17.8%. By the end of CY2023, EV shipments are projected to reach 12.7 million units, making the consumer EV market nearly four times larger than it was in CY2020[3].

The year saw a rise in trends like Connectivity, Autonomous, Shared mobility, and Electrification (CASE) and a shift towards a centralised architecture. Automotive technology is gradually transitioning from electromechanical terminals to Software-Defined Vehicles (SDVs), making them intelligent, expandable, mobile electronic terminals capable of continuous upgrades. Cars are growing smarter and more capable of being upgraded with new software. However, difficulty in obtaining the components required to manufacture automobiles, such as computer chips, electric vehicle batteries, and catalytic converters, still act as roadblocks. As a result, getting an automobile may take longer, and the pricing may be higher. This might reduce the appeal of electric vehicles among customers.

India's automobile market holds the impressive position of being the third largest globally in terms of sales, surpassing Germany and Japan. This sector plays a significant role in the country's economy, contributing 7.1% to its GDP. Over time, the Indian automotive industry has undergone a remarkable transformation, with technology playing a pivotal role in its evolution. As the government emphasizes a sustainable future, the growth of Electric Vehicles (EV) has prompted major manufacturers to invest in high-end technologies, optimising operations and enhancing the customer experience. Moreover, the emergence of the Internet of Things (IoT) has spurred the development of connected cars, empowering drivers with real-time information access and remote vehicle control.

In line with the increasing demand for safer vehicles among Indian consumers and the government's efforts to enhance road safety, car manufacturers in India have begun offering advanced driver assistance systems (ADAS) in their vehicles. This trend is driven by various factors, including the affordability of ADAS technology and its potential to reduce accidents and fatalities. By adopting ADAS technology, Indian car manufacturers are actively contributing to the improvement of road safety and working towards reducing the number of accidents on Indian roads.[4]

By 2035, the automotive industry is anticipated to witness a significant surge in the adoption of electric vehicles (EVs) and the implementation of CASE (Connected, Autonomous, Shared, and Electric) technologies. The demand for non-internal combustion engine (ICE) vehicles is projected to be promising, with the United States expected to experience a remarkable increase from the current 2% EV adoption rate to a substantial 44% by 2035. Meanwhile, Europe is predicted to surpass these figures by adopting EVs at an even faster pace. Despite these promising prospects, the adoption of advanced automated vehicles, is estimated to reach around 16% of all new light vehicle sales in the US by 2035. These conservative estimates assume that EVs will achieve cost parity with ICE vehicles by 2025, considering the development forecasts for EV charging infrastructure.[5]

Production of electric four-wheelers (E4Ws) in emerging Asia is expected to experience rapid growth, with countries like Thailand and Indonesia emerging as major automotive production hubs in the region. The production of E4Ws in these markets is projected to increase significantly, growing at a combined rate of 45 percent. By 2030, it is estimated that countries in emerging Asia could collectively manufacture over two million units of E4Ws annually. The development of mature electric vehicle (EV) markets in the region is supported by robust policy actions implemented on four fronts: official EV targets, restrictions on internal combustion engine (ICE) production and sales, consumer incentives, and the establishment of EV charging infrastructure (EVCI).

Across Asia, governments demonstrate varying levels of commitment towards electrification. In emerging Asia, Thailand has introduced the 3030 EV Production Policy, which aims to achieve a 30 percent share of domestic vehicle production from EVs by 2030. Meanwhile, Indonesia has announced plans to prohibit the sales of fossil fuel motorcycles by 2040 and fossil fuel cars by 2050.[6]

The era of software-defined vehicles

Automakers are strategically aiming to capitalise on substantial revenues generated through software-enabled services. The emergence of electric vehicles (EVs) and autonomous vehicles presents promising opportunities for original equipment manufacturers (OEMs) to explore new avenues of earning. Automakers are strategically aiming to capitalise on substantial revenues generated through software-enabled services. The emergence of electric vehicles (EVs) and autonomous vehicles presents promising opportunities for original equipment manufacturers (OEMs) to explore new avenues of earning.

By CY2030, the global automotive software and electrical and electronic components (E/E) market is expected to reach USD 462 billion, growing at a rate of 5.5% annually. During the same time period, however, the entire automotive market for passenger cars and light commercial vehicles (LCVs) is expected to increase at a

[3]https://www.abiresearch.com/blogs/2023/02/09/2023-automotive-industry/

[4]Top 5 latest trends shaping the Indian automotive industry (evoindia.com)

[5]Next in auto: Automotive industry trends: PwC

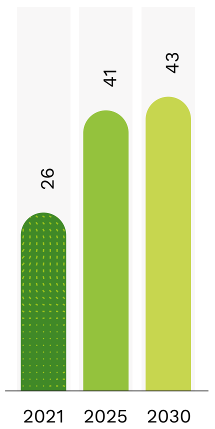
[6]Capturing growth in Asia's emerging EV ecosystem | McKinsey

slower pace of 1%. The automotive sensor market is set to double from CY2019 to CY2030[7], driven by the rising demand for advanced driver-assistance systems (ADAS) and autonomous driving (AD) sensors, particularly LiDAR, cameras, and radars. This growth reflects the increasing focus on software and electronics in vehicles, with electronic control units (ECUs), software development, power electronics and sensors leading the way. OEMs are recognising the potential by inclusion of software content and additional features. This shift allows them to capture more value from the software-driven capabilities of their vehicles, ultimately improving profitability.

This decade has seen one of the most important technological disruptions in the automobile industry with technologies like CASE, as well as SDVs. The automotive software market is expected to double in size, propelled by ADAS, electronic control units (ECUs), and autonomous driving software. Additionally, infotainment, connectivity, security and connected services will experience substantial growth, becoming the second-largest software market.

Automotive Industry Spend Forecast by 2030, Roland Berger Report, October 2022

(USD Billion)



Major trends in mobility

Software-enabled features add value and help differentiate vehicle brands. Thus there is a significant increase in R&D spend to gain a leadership on vehicle software implementation.

Software services like CASE, Cloud and mobile connectivity are being provided along with personalised digital experiences to the customers to generate new sources of revenue.

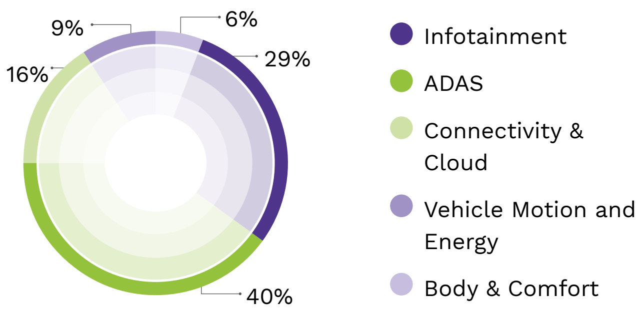
Software complexity is a new trend as a result of rapid transition to newer E/E architectures, common middleware and shift towards SDV paradigm.

CASE technologies are propelling expansion in areas like connectivity, autonomous vehicles, and electrification. This includes advancements in autonomous driving, connected services, energy systems, and infotainment, which are becoming more complex and relevant across passenger cars and commercial vehicles.

The vehicle's electrical/electronic (E/E) architecture is shifting from a distributed to a centralised architecture. The demand for software in the new E/E architecture is expected to increase significantly. The demand for body and energy software will also rise due to stringent energy management requirements for electric vehicles (EVs) and the integration of premium comfort features.

The automotive industry is embracing software-defined vehicles, enabling intelligent and customisable automobiles that prioritise safety. Major car manufacturers are investing billions of dollars in the technologies driving this transformation. These investments are focused on CASE technologies and architectural changes necessary to make self-driving vehicles (SDVs) a reality. As a result, there will be a significant increase in demand over the next 5-7 years.

Automotive Spend Forecast by Domains by 2030



The industry has aligned its investment strategies based on certain automotive domains which is being largely adopted by the OEM's to drive growth in the software-defined vehicles. Based on this, the automotive software spending is expected to increase to 43 billion by 2030.

Company overview

KPIT Technologies is a global partner to the automotive and Mobility ecosystem for making software-defined vehicles a reality. It is a leading independent software development and integration partner helping mobility leapfrog towards a clean, smart, and safe future. With 11000+ automobelievers across the globe specializing in embedded software, AI, and digital solutions, KPIT accelerates its clients' implementation of next-generation technologies for the future mobility roadmap.

> **“KPIT has a footprint worldwide with engineering centres in Europe, the USA, Japan, China, Thailand and India”**

Roland Berger Report 2022

The Company collaborates with industry leaders in automotive and mobility, actively participating in the transformative ecosystem. It is a leading automotive software provider with over two decades of experience in embedded automotive software. KPIT works closely with automotive brands and is at the forefront of the ongoing transformation in the industry. The Company, with the required domain expertise, is set to be a global partner in making software-defined vehicles a reality.

The Company focuses on delivering value to its clients and supporting their successful transformation through investments in technologies and partnerships. KPIT's deep expertise and innovative platforms, tools and accelerators contribute to creating greater value for its clients. The Company prioritises building strong and strategic relationships with key clients and nurturing an experienced and dedicated talent pool. The Company invests in its employees to help them reach their full potential, making KPIT the best place to grow.

> **"KPIT won two ET Ascent Business Leader of the Year Awards"**

Significant Engagements in FY 2022-23

During the fiscal year FY 2022-23, the Company continued to work and win strategic engagements with its T25 clients. These engagements are broad based, multiyear and across practice domains for both Passenger Vehicle and Commercial Vehicle OEMs.

During the year, Renault Group partnered with KPIT to ensure the seamless scalability of their software for next-generation SDV programs. This

collaboration aims to drive Renault Group's global growth in the coming decades by delivering unparalleled experiences to end consumers and enabling monetization throughout the entire ownership duration of the vehicles. Honda has selected KPIT as its strategic technology partner for their Software-Defined Mobility (SDM) initiative. KPIT is also working with a leading American car manufacturer in middleware development and integration, and in the

electric powertrain domain with a prominent European car manufacturer. KPIT and ZF have joined forces to create an independent company focused on automotive middleware, with the induction of more partners expected in the future.

Financial performance

Revenue

In Q4FY23, KPIT Technologies experienced impressive growth, with constant currency revenue increasing by 50% year-on-year. For the fiscal year 2022-2023, the Company's revenue reached USD 418 million, reflecting a significant growth of 27.4% in reported USD terms, compared to the previous year. **This marks the eleventh consecutive quarter of steady revenue growth for KPIT.** Among the Company's verticals, the passenger cars segment achieved revenue growth of 29.7%, while the commercial vehicles segment grew by 25.4%.

Geographically, the US market saw a growth of 17.2%, Europe witnessed a remarkable growth of 48.1%, and the Asian market showed a growth of 6.2% year-on-year. KPIT's strategic clients are global in nature, resulting in an increasingly global geographical distribution. The architecture and middleware consulting vertical experienced the highest year-on-year growth at 74.1%. The Company's strategic accounts, known as T25, accounted for 82.5% of the total revenues, slightly lower than the previous year's 83.8%. The Company's R&D expenditure for this year amounted to USD 9.6 million, reflecting a 6.67% increase compared to the previous year[8].

In FY24, The Company anticipates strong growth with CC revenue expected to grow by 27% to 30% over FY23. Its focus on profitability is reflected in the target EBITDA margin range of 19% to 20%. To drive success, the Company is aligning practices towards Software-Defined Vehicles (SDV) and making strategic technology investments. Delivery and operations are optimised through a robust competency framework, agile methodologies and automation.

Profitability

In FY 2022-2023, KPIT continued to improve its financial performance with an EBITDA margin of 18.9%, up from 18% in the previous fiscal year. The Company's EBITDA also saw significant growth, reaching ₹6,354 million compared to ₹4,385 million in FY 2021-2022. T**his marks 11 consecutive quarters of improving EBITDA.**

KPIT's focus is on enhancing operating profitability through initiatives such as engineering productivity improvement, increased offshore revenues, broadening the offshore employee pyramid, optimising fixed costs, and scaling up strategic accounts. Additionally, Profit after Tax (PAT) for FY 2022-2023 reached ₹3,810 million, a significant increase from ₹2,742 million in FY 2021-2022.

[8] https://www.bseindia.com/xml-data/corpfiling/AttachHis/feeb52b4-97a7-4b9d-95c8-b1eb9317591e.pdf

The Company focuses on maintaining its commitment to profitability, targeting an EBITDA margin range of 19% to 20% in FY 2022-2023. This aligns with its strategic direction of focusing on Software-Defined Vehicles (SDV) and making strategic technology investments. KPIT will optimise delivery and operations through a robust competency framework, agile methodologies and automation[9].

Shareholder's funds

The Shareholder's Funds as of March 31, 2023, stood at ₹ **16,515** million.

Liquidity

Liquidity The Cash Balance as at March 31, 2023 stood at ₹ 6,288 million as against ₹ 10,380 million as at March 31, 2022. The DSO were at 54 days as at March 31, 2023 as against 53 days as at March 31, 2022. We have consistently focussed on faster cash conversion and as a result have been able to maintain a comfortable level of DSO over the past 2 years. As on March 31, 2023, our total debt stood was ₹ 486 million which reflects the debt outstanding in the acquired entities and shall be repaid over the next financial year. Thus, the Net Cash Balance as of March 31, 2023 stood at ₹ 5,802 million as against ₹ 10,380 million as at March 31, 2022. During the year the total outflow on account of acquisition payouts stood at ₹ 5,806 million and the total dividend paid out was ₹ 900 million. Thus, excluding the acquisition payouts, the increase in Net cash was ₹ 1,228 million.

Employees

By the end of the fiscal year 2022-2023, the total number of employees in the company rose to 11,013, which is a significant increase of 33.5% compared to the previous fiscal year's count of 8,245. The Enabling & Sales department witnessed a growth of 16%, with a total of 716 employees. The development department experienced a substantial increase of 34.9%, reaching a headcount of 10,297 by the end of the fiscal year 2022-2023, compared to 7,628 in the previous fiscal year. These numbers demonstrate substantial growth and expansion within the company during the given period.

Risks and mitigation strategy:

Detailed information on the risks and mitigation strategy is shared in under the Enterprise Risk Management section of this Annual report.

Opportunities

KPIT Technologies is well-positioned for growth despite financial challenges in the US and Europe. The company remains optimistic about its long-term engagements. On the back of a solid performance in FY23 and basis recent mega engagements and committed spend on software by automotive OEMs, KPIT is witnessing robust demand and increased visibility for the next 3-5 years. With a business model focused on future technologies, KPIT has a strong order book and has signed multiple cross-domain, multi-year new engagements with its strategic clients.

Cautionary statement

Some statements in the 'Management Discussion & Analysis section may contain forward-looking statements in accordance with applicable securities laws and regulations. While these statements are based on reasonable assumptions, the actual results may differ significantly from those expressed or implied due to external and internal factors beyond the Company's control. The Company does not undertake any obligation to publicly amend, modify, or revise these forward-looking statements based on subsequent developments, information, or events.

[9]https://www.bseindia.com/xml-data/corpfiling/AttachHis/feeb52b4-97a7-4b9d-95c8-b1eb9317591e.pdf

REPORT ON CORPORATE GOVERNANCE

Corporate Governance Philosophy:

Corporate Governance is a set of principles, processes and systems which govern a Company. The elements of Corporate Governance are independence, transparency, accountability, responsibility, compliance, ethics, values and trust. Corporate Governance enables an organization to perform efficiently and ethically, generate long term wealth and create value for all its stakeholders.

The Company considers it absolutely essential to abide by the applicable laws and regulations in letter and spirit and is committed to the highest standards of corporate governance and be considered as a good corporate governed Company. The Company is passionate about ESG (Environment, Social, Governance), since these three elements are the core of KPIT and strengthen the Company in continuing its journey towards our vision of creating a cleaner, smarter, and safer world. The Company believes that sound Corporate Governance is critical for enhancing and retaining stakeholder trust and always seeks to ensure that its performance goals are met accordingly. The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to fulfill its overall responsibilities and to provide management with the strategic direction needed to create long term shareholders value.

To achieve our business vision, mission and establish culture of excellence, we have incorporated seven key behavioural attributes within our ecosystem. These are part of performance management system also so that each KPITian demonstrates this in everyday action.

Anyone who lives in the culture of excellence will **LEARN CONTINUOUSLY** to build world-class competence. While the competency is being developed, one gets the opportunity to work on challenging projects. To produce results in these challenging projects one needs to **SEEK CLARITY** on the deliverables from the stakeholders, repeatedly. In doing so, one needs to have the courage and tact to **PUSH BACK** when not in alignment. Once commitments are made, one must strive to **KEEP COMMITMENTS** on every deliverable. If these attributes are meticulously developed, the chances of success increase multifold. In the small chance that one fails to deliver, one needs to **OWN FAILURES**, without defending. It's okay to fail, but not okay to repeat the mistakes. Hence, one must document the learnings from the failures and learn from the same. One's success depends on others too and one has the responsibility to grow others while growing. With this spirit, one must **SHARE KNOWLEDGE** of both success and failures with others. These steps will catapult us to achieve our stated mission. This will make everyone, together, **CELEBRATE SUCCESS**!!

The aforementioned seven behaviors are defined as below:

Key Behavioural Aspect (KBAs)	Definition
Learn Continuously	Demonstrate learnability consistently, seek feedback periodically (including from younger colleagues) and provide feedback constructively.
Seek Clarity	Seek clarity for each task.
Push Back	Push-back when not convinced, else own the decisions.
Keep Commitments	Keep to commitments on every deliverable - time, quality, scope.
Own Failures	Own failures without justifications - and list learnings.
Share Knowledge	Share knowledge with others and help them improve.
Celebrate Success	Celebrate contribution and success of all stakeholders.

Our philosophy is aimed at conducting business ethically, efficiently and in a transparent manner; fulfilling its corporate responsibility to various stakeholders and retaining and enhancing investor trust and is 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 prescribed 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 enterprise 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 and earnings call transcript are uploaded on the Company's website on quarterly basis. 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 also 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 the 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 eleven Directors as on March 31, 2023, one is Non-Executive Chairman, four are Executive Directors and six are Independent Directors. The Board members have diverse backgrounds and possess rich experience and expertise in various industries such as automotive, energy & utilities, manufacturing, electronics, finance and research. The Board periodically evaluates the need for increasing or decreasing its size. 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, 2023

Sr. No.	Name of Director	Category of Directorship at KPIT	Relationship with the Directors	No. of Director ships held in Public Companies*	No. of Committee Membership in Companies[@]	No. of Chairmanship in Committees[@]	Names of the listed entities where the person is a director and the category of directorship	
							Name of listed entity	Category of directorship
1	Mr. S. B. (Ravi) Pandit, Chairman of the Board	Non-executive	Relative of Mr. Chinmay Pandit, Executive Director	2	1	Nil	Thermax Limited	Independent Director
2	Mr. Kishor Patil, CEO & Managing Director	Executive	None	1	1	Nil	Nil	Nil
3	Mr. Sachin Tikekar, President & Joint Managing Director[#]	Executive	None	1	1	Nil	Nil	Nil
4	Mr. Anup Sable, CTO & Whole-time Director	Executive	None	1	Nil	Nil	Nil	Nil
5	Mr. Chinmay Pandit, Whole-time Director[%]	Executive	Relative of Mr. S. B. (Ravi) Pandit, Chairman of the Board	1	Nil	Nil	Nil	Nil

Sr. No.	Name of Director	Category of Directorship at KPIT	Relationship with the Directors	No. of Director ships held in Public Companies*	No. of Committee Membership in Companies@	No. of Chairmanship in Committees@	Names of the listed entities where the person is a director and the category of directorship	
							Name of listed entity	Category of directorship
6	Mr. Anant Talaulicar	Independent	None	8	3	Nil	1) The Hi-Tech Gears Limited	Independent Director
							2) Everest Industries Limited	Independent Director
							3) India Nippon Electricals Limited	Independent Director
							4) Endurance Technologies Limited	Independent Director
7	Mr. B V R Subbu	Independent	None	3	2	2	1) MTAR Technologies Limited	Independent Director
							2) Sona BLW Precision Forgings Limited	Independent Director
8	Prof. Alberto Sangiovanni Vincentelli	Independent	None	1	Nil	Nil	Nil	Nil
9	Dr. Nickhil Jakatdar	Independent	None	1	Nil	Nil	Nil	Nil
10	Ms. Bhavna Doshi	Independent	None	6	3	4	1) Nuvoco Vistas Corporation Limited	Independent Director
							2) Indusind Bank Limited	Independent Director
							3) Sun Pharma Advanced Research Company Limited	Independent Director
							4) Everest Industries Limited	Independent Director
11	Prof. Rajiv Lal	Independent	None	1	Nil	Nil	Nil	Nil

* Including directorship of KPIT Technologies Limited.

@ Includes only Audit Committee & Stakeholders Relationship Committee in all public limited Companies including KPIT Technologies Limited.

Designated as Joint Managing Director of the Company with effect from April 01, 2022.

% Appointed with effect from July 26, 2022.

B. Core competencies of the Board of Directors as per the requirements given in Schedule C of Corporate Governance Report of the SEBI (LODR) Regulations, 2015:

The Board of Directors has identified skills/competencies/expertise such as Business Operations & Management, Technical expertise, Business operations at Global Level including Industry knowledge, Strategy and planning, Financial, Treasury Management and Taxation, Governance, Compliance and Risk Management in order to assist the management and provide them advice in the business operations, which are available with the current Board of Directors of the Company. The list of expertise/core skills/competencies identified by the Board of Directors is detailed in Table 2

Table 2: Expertise/core skills/competencies identified by the Board of Directors.

Sr. No.	Name of Director	Business Operations & Management	Technical expertise	Business operations at Global Level including industry knowledge	Strategy and planning	Financial, treasury management and taxation expertise	Governance, Compliance and Risk Management
1	Mr. S. B. (Ravi) Pandit	-	√	√	√	-	√
2	Mr. Kishor Patil	√	-	√	√	√	-
3	Mr. Sachin Tikekar	√	-	√	√	-	-
4	Mr. Anup Sable	√	√	√	√	-	-
5	Mr. Chinmay Pandit*	√	√	√	-	√	-
6	Mr. Anant Talaulicar	√	-	√	√	√	√
7	Mr. B V R Subbu	-	√	√	√	√	-
8	Prof. Alberto Sangiovanni Vincentelli	-	√	√	√	-	√
9	Dr. Nickhil Jakatdar	-	√	√	√	-	-
10	Ms. Bhavna Doshi	-	-	√	√	√	√
11	Prof. Rajiv Lal	-	√	√	√	-	√

* Appointed with effect from July 26, 2022.

C. Independent Directors:

1. Independent Director

All our Independent Directors fulfill the criteria of independence as prescribed under section 149 of the Companies Act, 2013 and also Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the SEBI (LODR) Regulations, 2015") as explained below. We confirm that in the opinion of the Board, the independent directors fulfill the conditions specified in these regulations 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 subsidiary or associate company or member of the promoter group of the listed entity;

c. who is not related to Promoters or Directors in the Company or its subsidiary or associate companies;

d. who, apart from receiving director's remuneration, has or had no material pecuniary relationship with the Company or its 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 listed entity, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year;

f. who, neither himself/herself 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 listed entity or its holding, subsidiary or associate company or any company belonging to the promoter group of the listed entity, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed:

Provided that in case of a relative, who is an employee other than key managerial personnel, the restriction under this clause shall not apply for his / her employment;

(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 subsidiary or associate companies; or

(B) any legal or a consulting firm that has or had any transaction with the Company or its 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 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 Regulation 25 of the SEBI (LODR) Regulations, 2015.

3. Maximum tenure of Independent Directors

None of the Independent Directors has exceeded the tenure prescribed under Regulation 25 of the SEBI (LODR) Regulations, 2015 and under Section 149 (10) of the Companies Act, 2013.

4. Formal letter of appointment to Independent Directors

The Company has issued formal appointment letters to the Independent Directors and brief terms & conditions of which have been placed on the Company's website.

5. Performance evaluation of Independent Directors

The Nomination and Remuneration (HR) Committee has laid down criteria for performance evaluation of Independent Directors, in its policy 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 behavior and judgment; and

f) Impact and influence.

As a part of the annual Board evaluation, detailed questionnaires were circulated to all the Directors. On the basis of responses received on these questionnaires, the Chairman of the Board and the Chairman of the Nomination and Remuneration (HR) Committee evaluated the Board's performance and that of its committees. The Board also conducted evaluation of independent directors which included performance of directors and fulfilment of criteria as specified in Regulation 17 (10) of SEBI (LODR) Regulations, 2015, and their independence from the management, where the independent directors did not participate.

6. **Separate meeting of the Independent Directors**

During FY 2022-23, a separate meeting of the Independent Directors of the Company was held on February 17, 2023.

7. **Familiarization Programme for Independent Directors**

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. The new Directors are also invited to meetings of the Board of Directors and Board Committees held before their appointment which helps them to familiarize themselves with the Company and its Board process. A familiarization programme was also conducted in the month of February 2023. The details of such familiarization programs are uploaded on the website of the Company (https://www.kpit.com/investors/policies-reports-filings/).

During the year various sessions by Internal and external speakers were conducted to provide an update about the Company and industry practices. Further, at every Board meeting, there are detailed business presentations made which are useful to the Directors in understanding the business. The presentations are made by the business leaders so that the Directors are able to connect with the leaders and ask them related questions.

D. Responsibilities of the Chairman and other Executive Directors

Mr. S. B. (Ravi) Pandit is the Chairman of the Board of Directors, Mr. Kishor Patil is the Chief Executive Officer (CEO) & Managing Director, Mr. Sachin Tikekar is a President & Joint Managing Director, Mr. Anup Sable is a CTO & Whole-time Director and Mr. Chinmay Pandit is a Whole-time Director of the Company. The authorities and responsibilities of each of the above Directors are clearly demarcated as under:

Mr. S. B. (Ravi) Pandit, Chairman as a founder of the Company, has steered the Company towards achieving leadership position in software solutions that will help mobility leapfrog towards autonomous, clean, smart and connected future. He is a Promoter of the Company and also plays a strategic role in Community Initiatives and Corporate Governance. He also interacts with global thought leaders to enhance the Company's leadership position and with various institutions to highlight and take the benefits of the technology to every section of society.

Mr. Kishor Patil, 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. He has a particular focus and vision for growing products and platforms. Currently, he is focusing on creation and management of new Product Business Units, executive sponsorship of critical GAMs, management of key external relationships in India & strategic infrastructure projects. He is also responsible for building strategic partnerships and integration of acquired entities.

Mr. Sachin Tikekar, Joint Managing Director, works on providing leadership and guidance in many different areas of the Company. He is an executive sponsor responsible for driving sustainable business growth & leading initiatives to launch innovative products and platforms. In both roles, he is intrinsically involved in managing and growing strategic relationships with key customers and partners.

Mr. Anup Sable, Whole-time Director, is a member of the Executive Board and CTO for KPIT. In this role, his keen sense for blending technology trends and customer challenges helps KPIT to formulate a range of solutions and products which bring value to the global automotive ecosystem.

Mr. Chinmay Pandit, Whole-time Director, is a member of the Executive Board. He is the Head of Geography (Americas) as well as the Head of Commercial Vehicle vertical. As the Geography head, he is responsible for the overall strategy and growth plan of the Company in geography. This includes executive connect with key clients' leadership, business development, operations in the geography, people development and the branding and positioning of the organization as a key technology expert.

E. Membership Term

According to the Companies Act, 2013 and SEBI LODR Regulations, 2015, Independent Directors can hold office for a term of up to five years which can be extended for another period of five years with the approval of the shareholders of the Company.

Ms. Bhavna Doshi and Prof. Rajiv Lal were appointed as Independent Directors of the Company for a period of five years with effect from September 15, 2021, and November 1, 2021, respectively, which was approved by the shareholders in Annual General Meeting held on August 24, 2022.

Mr. Anant Talaulicar, Prof. Alberto Sangiovanni Vincentelli and Mr. B V R Subbu, were appointed as Independent Directors of the Company for a period of five years with effect from January 16, 2019, which was approved by the shareholders in Annual General Meeting held on August 28, 2019. The resolutions are being put up for the approval of the shareholders at the ensuing Annual General Meeting to reappoint Mr. Anant Talaulicar, Prof. Alberto Sangiovanni Vincentelli and Mr. B V R Subbu for a further period of five years, three years and two years respectively.

Mr. Srinath Batni has been appointed as an Additional & Independent Director of the Company with effect from July 25, 2023, who shall hold office up to the date of the ensuing Annual General Meeting. The resolution is being put up for the approval of shareholders at the ensuing Annual General Meeting for his appointment.

As for the Non-Independent Directors, at least two-thirds of them shall be liable to retire by rotation. One-third of such directors as are liable to retire by rotation shall retire every year and if qualified, shall be eligible for reappointment. Thus, Mr. Kishor Patil retires at the ensuing Annual General Meeting and being eligible, seeks reappointment as a Director.

The Executive Directors are appointed by the shareholders of the Company for a maximum period of five years at a time (subject to retirement by rotation as mentioned hereinabove) and are eligible for reappointment upon completion of their respective term. Accordingly, being eligible for reappointment upon completion of the respective term, the resolutions are being put up for the approval of the shareholders at the ensuing Annual General Meeting to reappoint Mr. Kishor Patil, CEO & Managing Director and Mr. Sachin Tikekar, President & Joint Managing Director for a further period of five years. They were appointed as Executive Directors of the Company for a period of five years with effect from January 16, 2019, which was approved by the shareholders in the Annual General Meeting held on August 28, 2019.

During the year under review, the Board of Directors appointed Mr. Chinmay Pandit as Executive Director (Whole-time) of the Company for a period of five years with effect from July 26, 2022. Mr. Anup Sable was appointed as Executive Director (Whole-time) for a period of five years with effect from December 21, 2021. Members approved their appointments at the Annual General Meeting held on August 24, 2022.

A certificate has been received from Dr. K R Chandratre, Practicing 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.

F. Board & Committee Meeting Agenda and Minutes

The Company Secretary receives details on the matters which require the approval of the Board from various departments of the Company, well in advance, so that they can be included in the Board meeting agenda, if required. 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 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:
    a. Financials for the quarter and its analysis
    b. Cash profit generated during the quarter
    c. Yearly financial plan vs. actual
    d. SBU (Strategic Business Unit) wise performance
    e. Profitability drivers
    f. Utilization of resources
    g. Peer group analysis and analyst coverage
    h. Mergers and acquisitions pursuits
    i. Investments in the Company
    j. Subsidiaries' financials and operations
    k. Statement on foreign exchange exposure and related mitigating activities
- Presentations of Statutory Auditors' 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;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- 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;
- Significant labour problems and their proposed solutions. Any significant development in Human Resources / Industrial Relations 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 Companies Act, 2013 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 and Committee are circulated to all the Directors and Committee members.

G. Non-Executive Directors' shareholding

Mr. S. B. (Ravi) Pandit has been designated as a Chairman of the Board and Non-Executive Director of the Company with effect from March 29, 2020. None of the Non-executive Directors hold Equity Shares of the Company except Mr. S. B. (Ravi) Pandit who holds 9,89,306 equity shares in the Company as on March 31, 2023.

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

H. 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 before the start of the financial year and circulated to all the Board members. These dates are also given in the 'Additional Shareholder Information', which forms a part of this Annual Report. Generally, the Board meetings are held at the Registered Office of the Company located in Pune. However, during the year under review, the meetings were held through Video Conferencing. 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. 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.

The Board meets regularly to discharge its duties and directors allocate adequate time to Board meeting preparation and attendance. The necessary quorum was present at all the meetings. The Company sends newsletters to all the Board members to create awareness of the business, its operations and senior management well enough to contribute effectively to Board discussions and decisions. The Board demonstrates that it has the necessary governance policies, processes and systems in place and as such generates trust and support among its stakeholders. It maintains robust governance arrangements to ensure that it always acts in a way that will generate sustainable value for the Company.

During the year, 7 Board meetings were held on the following dates:

a) April 26 & 27, 2022;
b) May 24, 2022;
c) July 25 & 26, 2022;
d) September 20, 2022;
e) October 18 & 19, 2022;
f) January 31, 2023;
g) January 31 & February 01, 2023;

Table 3: Number of Board meetings and the attendance of Directors during FY 2022-23

Sr. No.	Name of Director	No. of Board meetings held during the tenure of each Director	No. of Board meetings attended*	Attendance at the last AGM
1	Mr. S. B. (Ravi) Pandit	7	7	Yes
2	Mr. Kishor Patil	7	7	Yes
3	Mr. Sachin Tikekar	7	7	Yes
4	Mr. Anup Sable	7	7	Yes
5	Mr. Chinmay Pandit[$]	4	4	Yes
6	Mr. Anant Talaulicar	7	7	Yes
7	Mr. B V R Subbu	7	7	Yes
8	Prof. Alberto Sangiovanni Vincentelli	7	7	Yes
9	Dr. Nickhil Jakatdar	7	7	Yes
10	Ms. Bhavna Doshi	7	7	Yes
11	Prof. Rajiv Lal	7	7	No

* Including attendance by videoconference.

[$] Appointed with effect from July 26, 2022

2. Membership of Board committees

None of the Directors of the Company hold membership of more than ten committees nor Chairmanship 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 applicable acts, laws, rules, regulations and regulatory requirements, the Company has set-up a regulatory compliance process within the organization. The CFO and the Company Secretary of the Company present a quarterly compliance certificate before the Board of Directors of the Company which reviews the same on a quarterly basis in its Board Meetings.

I. 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.

J. 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 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 the:

1. receipt, retention and treatment of complaints received by the Company regarding improper activities, financial or otherwise, in the Company and
2. 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.

II. COMMITTEES OF THE BOARD

During the year, the Board of Directors of the Company continue to have five Committees viz - Audit Committee, Nomination and Remuneration (HR) Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Enterprise Risk Management Committee. All of these Committees are chaired by Independent Directors except the Enterprise Risk Management Committee which is chaired by Non-executive Director. The Board is responsible for constituting, co-opting and fixing the terms of reference for the committees. Normally, the Audit Committee and Nomination and Remuneration (HR) Committee meet at least four times a year. The Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Enterprise Risk Management 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 their 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 three Independent Directors. During the year under review, Ms. Bhavna Doshi was elected as a chairperson in place of Mr. Anant Talaulicar who was re-designated as member and Mr. S. B. (Ravi) Pandit was relieved from the position as a member with effect from July 26, 2022. Mr. B V R Subbu remains as the other member of the Committee. All members of this Committee are financially literate. A brief profile of all the Committee members is provided in 'Additional Shareholders Information' section of this Annual Report. The Company Secretary is the Secretary to the Committee. The Statutory Auditors and the Internal Auditors also make their presentations at the Committee meetings.

Role and objectives

The management is responsible for the company's internal controls and the financial reporting process while the statutory auditors are responsible for performing independent audit of the company's financial statements in accordance with generally accepted auditing practices and for issuing report based on such audit. The Board of Directors has constituted and entrusted the Audit Committee with the responsibility to supervise these processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting. The constitution of the Audit Committee also meets with the requirements of Section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The Company has duly defined the role and objectives of the Audit Committee. 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:
    i. 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 Companies Act, 2013;
    ii. changes, if any, in accounting policies and practices and reasons for the same;
    iii. major accounting entries involving estimates based on the exercise of judgment by management;
    iv. significant adjustments made in the financial statements arising out of audit findings;
    v. compliance with listing and other legal requirements relating to financial statements;
    vi. disclosure of any related party transactions;
    vii. 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 issue or rights issue or preferential issue or qualified institutions placement, 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. management discussion and analysis of financial condition and results of operations;
22. management letters / letters of internal control weaknesses issued by the statutory auditors;
23. internal audit reports relating to internal control weaknesses;
24. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
25. reviewing the utilization of loans and/or advances from investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary whichever is lower including existing loan / advances / investments existing as on the date of coming into force of this provision;
26. 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).
27. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholder.

Meetings

During FY 2022-23, the Audit Committee met four times i.e., on April 26, 2022, July 25, 2022, October 18, 2022, and January 31, 2023. The details of meetings and attendance are given in Table 4.

Table 4: Audit Committee - meetings and attendance

Sr. No.	Name of Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	Ms. Bhavna Doshi- Chairperson (w.e.f. July 26, 2022)	4	4
2	Mr. Anant Talaulicar- Member (w.e.f. July 26, 2022)	4	4
3	Mr. B V R Subbu	4	4
4	Mr. S. B. (Ravi) Pandit (upto July 26, 2022)	2	2

B. Nomination and Remuneration (HR) Committee

Composition

The Nomination and Remuneration (HR) Committee consists of three Independent Directors and one Non-executive Director. During the year under review, Prof. Rajiv Lal was appointed as member and Mr. B V R Subbu was relived as member with effect from July 26, 2022. Mr. Anant Talaulicar continue as the Chairman and Prof. Alberto Sangiovanni Vincentelli & Mr. S. B. (Ravi) Pandit continue as other members of the Nomination and Remuneration (HR) Committee.

Role and objectives

The role and objectives of the Committee, 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. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
    a. use the services of an external agencies, if required;
    b. considers candidates from a wide range of backgrounds, having due regard to diversity; and
    c. considers the time commitments of the candidates.
3. formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. devising a policy on diversity of Board of Directors;
5. 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;
6. 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.
7. recommend to the Board all remuneration in whatever form payable to senior management.
8. 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 and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Committee or by an independent external agency and review its implementation and compliance.
9. formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

Meetings

During FY 2022-23, the Nomination and Remuneration (HR) Committee met Four times i.e., on April 26, 2022, July 25, 2022, October 18, 2022, and January 31, 2023. The details of meetings and attendance are given in Table 5.

Table 5: Nomination and Remuneration (HR) Committee - meetings and attendance

Sr. No.	Name of Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	Mr. Anant Talaulicar - Chairman	4	4
2	Mr. B V R Subbu (Upto July 26, 2022)	2	2
3	Prof. Alberto Luigi Sangiovanni Vincentelli (w.e.f. February 1, 2022)	4	3
4	Mr. S. B. (Ravi) Pandit	4	4
5	Prof. Rajiv Lal (w.e.f. July 26, 2022)	2	2

C. Stakeholders Relationship Committee

Composition

The Stakeholders Relationship Committee consists of one Independent Director and two Executive Directors to look into shareholder related matters. Mr. B V R Subbu is the Chairman of the Committee. Mr. Sachin Tikekar and Mr. Kishor Patil are the other members of the Committee. The details of complaints received, solved and pending from the shareholders / investors are given elsewhere in this Annual Report. The Company has a dedicated e-mail address: grievances@kpit.com for communicating shareholders' grievances.

Role and objectives

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

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
5. Consider and resolve the grievances of security holders of the Company.

Meetings

During FY 2022-23, the Stakeholders Relationship Committee met two times i.e., on July 25, 2022 and January 31, 2023. The details of meetings and attendance are given in Table 6.

Table 6: Stakeholders Relationship Committee - meetings and attendance

Sr. No.	Name of Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	Mr. B V R Subbu - Chairman	2	2
2	Mr. Sachin Tikekar	2	2
3	Mr. Kishor Patil	2	2

D. Corporate Social Responsibility (CSR) Committee

Composition

The Corporate Social Responsibility (CSR) Committee consists of three directors including one Independent Director to oversee the discharge of Corporate Social Responsibility obligations, as required by Section 135 of the Companies Act, 2013 and the relevant rules. During the year under review, Mr. Anup Sable was appointed as a member and Mr. Sachin Tikekar was relived as a member with effect from July 26, 2022. Mr. Anant Talaulicar and Mr. S. B. (Ravi) Pandit continue as a Chairman and member of the Committee respectively.

Role and objectives

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

1. formulation and recommendation of CSR policy to the Board;
2. identification of activities to be undertaken by the Company pursuant to Schedule VII of the Companies Act, 2013;
3. recommendation of amount of expenditure on CSR activities;
4. monitor the CSR policy from time to time.

Meetings

During FY 2022-23, the Corporate Social Responsibility (CSR) Committee met two times i.e., on April 26, 2022, and October 18, 2022. The details of meetings and attendance are given in Table 7.

Table 7: Corporate Social Responsibility (CSR) Committee - meetings and attendance

Sr. No.	Name of Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	Mr. Anant Talaulicar - Chairman	2	2
2	Mr. S. B. (Ravi) Pandit	2	2
3	Mr. Sachin Tikekar (Upto July 26, 2022)	1	1
4	Mr. Anup Sable (w.e.f. July 26, 2022)	1	1

E. Enterprise Risk Management Committee

Composition

The Enterprise Risk Management Committee consists of three Independent Directors, one Non-executive Director and one Executive Director. Mr. S. B. (Ravi) Pandit is Chairman of the committee. Ms. Bhavna Doshi, Mr. Anant Talaulicar, Mr. B V R Subbu and Mr. Chinmay Pandit who has been inducted with effect from February 01, 2023, are other members of the 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.

Role and objectives

1. To formulate a detailed risk management policy of the Company as per the statutory requirements as amended from time to time.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by

considering the changing industry dynamics and evolving complexity;

5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

Meetings

During FY 2022-23, the Enterprise Risk Management Committee met three times i.e., on April 25, 2022, June 14, 2022, and November 02, 2022. The details of meetings and attendance are given in Table 8

Table 8: Enterprise Risk Management Committee – meetings and attendance

Sr. No.	Name of Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	Mr. S. B. (Ravi) Pandit – Chairman	3	3
2	Mr. B V R Subbu	3	3
3	Mr. Anant Talaulicar	3	3
4	Ms. Bhavna Doshi	3	3
5	Mr. Chinmay Pandit (w.e.f. February 01, 2023)	NA	NA

III. SUBSIDIARY COMPANIES

Brief details of the Company's subsidiaries, including step-down subsidiaries, are given in the Board's Report. The updates of major decisions of the unlisted subsidiary companies are regularly presented before the Audit Committee and the Board.

Following are the key matters relating to subsidiaries which are taken up in the Board meeting:

- Minutes of all the meetings of subsidiaries held in the previous quarter;
- 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;
- Compliences by subsidiaries with all applicable laws of that country.

KPIT Technologies Inc. (KPIT USA) and KPIT Technologies (UK) Limited (KPIT UK), are the Material Subsidiaries of the Company for FY 2022-23. KPIT USA was incorporated on April 03, 2018, in the State of Delaware, USA. KPIT USA is not required to appoint an Auditor to audit its financials as per local laws. However, for consolidation purposes, the financials of the said entity are audited by M/s BSR & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W – 100022). Further, KPIT UK was incorporated on October 17, 1996, in United Kingdom. KPIT UK has appointed M/s. Butler & Co. LLP as Statutory Auditor on October 15, 2008 to audit its financials as per local laws.

The Company has formulated a policy for determining 'material subsidiaries' and the said policy has been uploaded on the Company's website (https://www.kpit.com/investors/policies-reports-filings/). The Company has complied with the provisions of Regulation 24 of SEBI LODR Regulations, 2015 in respect of the Material Subsidiaries.

IV. DISCLOSURES

A. Related Party Transactions

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions and the same has been uploaded on the Company's website (https://www.kpit.com/investors/policies-reports-filings/). The related party transactions are placed before the Board 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, 2023. 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. 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.

C. Remuneration of Auditors

M/s BSR & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W – 100022) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, on consolidated basis is given below:

(₹ In million)

Particulars	Amount
Audit fees	5.90
Limited review of quarterly results	2.10
Fees for other services	0.70
Out of pocket expenses reimbursed	0.25
Total	**8.95**

D. Remuneration of Directors

Within the limits prescribed under the Companies Act, 2013, and approved by shareholders in the Annual General Meeting held on August 25, 2021, as recommended by Nomination and Remuneration (HR) Committee, the Board of Directors has approved the remuneration payable to Executive and Non-Executive Directors for the FY 2022-23.

The details of remuneration paid to the Executive Directors of the Company are given in Table 9 below:

Table 9: Remuneration paid to Executive Directors in FY 2022-23.

(Amount in ₹ million)

Name of Director/Remuneration Details	Mr. Kishor Patil@	Mr. Sachin Tikekar#	Mr. Anup Sable*	Mr. Chinmay Pandit^
	CEO & Managing Director	President & Joint Managing Director	CTO & Whole-time Director	Whole-time Director
Salary	17.98	17.07	9.82	16.27
PF	2.17	1.62	0.35	-
Leave Encashment	-	-	-	-
Variable Performance Incentive	32.50	27.94	3.03	3.26
Perquisites	-	-	-	-
Bonus	-	-	-	5.75
Notice Period	6 months	6 months	6 months	6 months
Severance fees	Notice Pay	Notice Pay	Notice Pay	Notice Pay
Total	**52.65**	**46.63**	**13.20**	**25.28**

@ *Does not include Rs. 10,000/- paid to Mr. Kishor Patil being Director towards sitting fees by PathPartner Technology Private Limited, during FY 2022-23.*

Does not include USD 4,800 paid to Mr. Sachin Tikekar being Director by KPIT Technologies Inc., USA, during FY 2022-23.

* *Does not include Rs. 5,000/- paid to Mr. Anup Sable being Director towards sitting fees by PathPartner Technology Private Limited, during FY 2022-23.*

^ *Mr. Chinmay Pandit received remuneration from KPIT Technologies INC. USA, wholly owned subsidiary of the Company in USD (equivalent in ₹)*

Note: Managerial remuneration excludes provision for gratuity, as a separate actuarial valuation for the directors is not available.

Under Section 197 of the Companies Act, 2013, 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, members of the Company at their Annual General Meeting held on Wednesday, August 25, 2021, have approved by way of a special resolution:

1. Overall maximum managerial remuneration limit payable to its directors, including managing director, whole-time director and manager, if any, in respect of any financial year from 11% to 17% of the net profits of the Company, computed in the manner as laid down in section 198 of the Companies Act, 2013.

2. The limit of 5% or 10% (as applicable), as stipulated in section 197(1)(i) of the Companies Act, 2013, payable to any one or more managing directors or whole-time directors of the Company in any financial year to 8% or 15% respectively of the net profits of the Company, computed in the manner laid down in section 198 of the Companies Act, 2013 and in excess of limit under regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. The limit of 1%, as stipulated in clause (ii)(A) of the first proviso to section 197(1) of the Companies Act, 2013, payable to Non-executive Directors of the Company in any financial year to 2% of the net profits of the Company, computed in the manner laid down in section 198 of the Companies Act, 2013.

The Board of Directors of the Company has approved a commission of ₹ 36.45 million (previous year ₹ 24.32 million) to the Non-executive Directors of the Company for the financial year 2022-23. There is no other remuneration to the Non-executive Independent Directors, except the Commission. The details of remuneration to the Non-executive Independent Directors for the financial year 2022-23 are given in Table 10.

During the year under review, the Nomination and Remuneration (HR) Committee granted 10,000 options to Mr. Anup Sable, Whole-time Director under 'KPIT Technologies Limited-Employee Stock Option Scheme 2019A' on July 25, 2022, at the exercise price not less than face value of the shares as on date of grant of option i.e., Rs. 10/- per option.

Table 10: Remuneration to Non-Executive Independent Directors

(Amount in ₹ million)

Name of Director	Commission	Sitting fees
Mr. S. B. (Ravi) Pandit	10.39	0.66
Mr. Anant Talaulicar	6.75	0.66
Mr. B V R Subbu	3.97	0.52
Prof. Alberto Sangiovanni Vincentelli	4.91	0.26
Dr. Nickhil Jakatdar	2.67	0.21
Ms. Bhavna Doshi	3.79	0.42
Prof. Rajiv Lal	3.97	0.26
TOTAL	**36.45**	**2.99**

Basis for remuneration paid to Non-Executive Directors

Remuneration	Board Chairman	Board member	Committee Chairperson	Committee member
Sitting Fees	₹ 48,000/- per meeting	₹ 30,000/- per meeting	₹ 40,000/- per meeting	₹ 25,000/- per meeting
Commission	The total amount of commission paid to the Non-executive Directors for FY 2022-23 is ₹ 36.45 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.			

E. Management Discussion & Analysis

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

F. Legal Compliance Reporting

The Company has in place a compliance tool which provides automated Statutory Compliance Report from various functions on PAN India basis for compliance with laws applicable to the respective function. The consolidated report on compliance with applicable laws is presented to the Board. The Company is constantly striving to strengthen and update the reporting system to take care of the continuously evolving compliance scenario.

G. Reconciliation of Share Capital

As stipulated by the Securities and Exchange Board of India (SEBI), a Practicing 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 submitted to the stock exchanges and 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.

H. Senior Management

Senior Management team of the Company as on March 31, 2023, comprises of Mr. Rajesh Janwadkar, Mr. Pankaj Sathe, Mr. Pushpahas Joshi, Mr. Rohan Sohoni, Ms. Priyamvada Hardikar, Mr. Rajesh Kumar Singh, Mr. Mohit Kochar and Ms. Nida Deshpande. There is no change in the said team during the year under review.

I. Shareholders

i. Disclosure regarding appointment or reappointment of Directors

According to the provisions of the Companies Act, 2013, at least two-thirds 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 reappointed by the shareholders. Accordingly, Mr. Kishor Patil retires at the ensuing Annual General Meeting of the Company and being eligible, offers himself for reappointment. The Board has recommended his reappointment. A detailed resume of Mr. Kishor Patil is provided in the 'Additional Shareholders Information' section in this Annual Report.

ii. Communication to shareholders

The Company's quarter and year-end financial results as on March 31, 2023, investor updates and other investor related information are posted on the Company's website (www.kpit.com). The financial results relating to the quarter and year ended March 31, 2023, of the Company were published in Financial Express, and Loksatta. Financial results and all material information are also regularly provided to the Stock Exchanges as per the requirements of the SEBI (LODR) Regulations, 2015. Any presentation made to analysts and others is also posted on the Company's website.

The details of correspondence received from the shareholders / investors during the period April 01, 2022, to March 31, 2023, are given in the 'Additional Shareholders Information' section in this Annual Report.

iii. General Body Meetings

Table 11: Details In Respect Of The Last Three Annual General Meeting (Agm) Of The Company

Date of the meeting (year)	Venue of the meeting	Time of the meeting	Special Resolution Passed
September 02, 2020 (2019-20)	through Video Conference (VC) / Other Audio-Visual Means (OAVM)	10.30 A.M.	-
August 25, 2021 (2020-21)	through Video conference (VC) / Other Audio-Visual Means (OAVM)	10.30 A.M.	1. To approve the increase in overall maximum managerial remuneration limits payable under the provisions of Section 197 of the Companies Act, 2013 & Regulation 17 (6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 2. To approve the continuation of Prof. Alberto Sangiovanni Vincentelli as Independent Director of the Company who is attaining 75 years of age during his current term of appointment.
August 24, 2022 (2021-22)	through Video conference (VC) / Other Audio-Visual Means (OAVM)	10.30 A.M.	1. To appoint Ms. Bhavna Doshi (DIN: 00400508) as Independent Director of the Company for a period of five years with effect from September 15, 2021. 2. To appoint Prof. Rajiv Lal (DIN: 09360601) as Independent Director of the Company for a period of five years with effect from November 1, 2021. 3. To approve the 'KPIT Technologies Limited- Restricted Stock Unit Plan 2022' ("RSU 2022"/ "Plan") 4. To approve grant of restricted stock units to the employees of subsidiary company(ies) of the Company under 'KPIT Technologies Limited- Restricted Stock Unit Plan 2022' ("RSU 2022"/ "Plan"). 5. To approve grant of restricted stock units to the employees of group company(ies) including associate company(ies) of the Company under 'KPIT Technologies Limited- Restricted Stock Unit Plan 2022' ("RSU 2022"/ "Plan"). 6. To approve secondary acquisition of shares through Trust route for the implementation of 'KPIT Technologies Limited- Restricted Stock Unit Plan 2022' ("RSU 2022"/ "Plan"). 7. To approve provision of money by the Company for subscription/acquisition of its own shares by the Trust under the 'KPIT Technologies Limited- Restricted Stock Unit Plan 2022' ("RSU 2022"/ "Plan") 8. To approve amendments in 'KPIT Technologies Limited – Employee Stock Option Scheme 2019A' ("ESOS 2019A"). 9. To approve grant of employee stock options to the employees of subsidiary company(ies) of the Company under "KPIT Technologies Limited – Employee Stock Option Scheme 2019A" ("ESOS 2019A").

iv. Special Resolutions through Postal Ballot - NA

v. The details of Investors'/Shareholders' Grievance Committee are given in 'Additional Shareholders Information' section in this Report.

vi. The details of Share transfer system are given in 'Additional Shareholders Information' section in this Annual Report.

vii. There are no relationships between the Directors of the Company, inter-se except Mr. Chinmay Pandit, Whole-time Director who is related to Mr. S. B. (Ravi) Pandit, Chairman of the Board.

V. Dividend Distribution Policy

The Company has formulated 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 (https://www.kpit.com/investors/policies-reports-filings/).

VI. 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.

VII. CERTIFICATE ON CORPORATE GOVERNANCE

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

Further, during the years under review, 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.

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.

VIII. COMPLIANCE WITH MANDATORY REQUIREMENTS

There were no non-compliances by the Company, no penalties and strictures were imposed on the Company by Stock Exchanges, SEBI or any statutory authority, on any matter related to the capital markets, during the year from April 01, 2022 to March 31, 2023.

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

IX. COMPLIANCE AGAINST DISCRETIONARY REQUIREMENTS OF THE SEBI (LODR) REGULATIONS, 2015

1. The Company has appointed different persons for the post of Chairman and Managing Director/Chief Executive Officer.
2. The Company prepares quarterly investor updates which cover operational details apart from financial details which are uploaded on the website of the Company and stock exchanges. Copies of the same are being provided on request.
3. The Internal Auditor presents the internal audit report to the Audit Committee.

Training of Board members

During the year, the Board members were provided with a deep and thorough insight into the business model of the Company through detailed presentations on the operational aspects of the Company's business. At every Board meeting, detailed business presentations are made which are useful to the Directors in understanding the business. The presentations are made by the business leaders so that the Directors are able to connect with the leaders and also ask them related questions. Efforts are also made to acquaint and train the Board members about the emerging trends in the industry.

Business Responsibility and Sustainability Report

Pursuant to the provisions of Regulation 34 of the SEBI (LODR) Regulations, 2015, read with SEBI Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021, the Company has prepared a Business Responsibility & Sustainability Report giving detailed information of the Company's efforts towards managing sustainable growth, initiatives taken from an environmental, social and governance perspective forms a part of this annual report.

Secretarial Standards issued by the Institute of Company Secretaries of India

The Institute of Company Secretaries of India ('ICSI'), one of the premier professional bodies in India, has issued 10 Secretarial Standards. Out of which 2 Secretarial Standards have been made mandatory and 2 Secretarial standards are recommendatory as per the provisions of the Companies Act, 2013. The Company adheres to these standards.

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.kpit.com.

Further, it is 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, 2023.

Pune
July 25, 2023

Kishor Patil
CEO & Managing Director

INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (Listing Obligations and Disclosure Requirements) REGULATIONS, 2015

TO THE MEMBERS OF KPIT TECHNOLOGIES LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter dated 13th September 2019 and addendum to the engagement letter dated April 13, 2023.

2. We have examined the compliance of conditions of Corporate Governance by KPIT Technologies Limited ("the Company"), for the year ended 31st March 2023, as 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 Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March 2023.

6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. 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

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

9. We 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.

Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations 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 consent in writing.

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

Swapnil Dakshindas
Partner
Membership No: 113896
UDIN: 23113896BGYERS1225

Place: Pune
Date: 26 April 2023

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

We, **Kishor Patil, CEO & Managing Director** and **Priyamvada Hardikar, Chief Financial Officer of KPIT Technologies Limited** ("the Company") to the best of our knowledge and belief, certify that: -

A. We have reviewed financial statements (consolidated and standalone) for the year April 1, 2022, to March 31, 2023, and to the best of our 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 our knowledge and belief, no transactions entered into by the listed entity during the year i.e., April 1, 2022, to March 31, 2023, which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we 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. We 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, 2022, to March 31, 2023.

   (2) significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.

   (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.

Pune
April 26, 2023

Kishor Patil
CEO & Managing Director

Priyamvada Hardikar
Chief Financial Officer

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS (Pursuant to Regulation 34(3) read with Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To:
The Members
KPIT Technologies Limited
Plot No. 17, Rajiv Gandhi Infotech Park
MIDC SEZ, Phase-III, Maan
Taluka- Mulshi, Hinjawadi, Pune – 411057.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of KPIT Technologies Limited (CIN-L74999PN2018PLC174192) and having registered office at Plot No 17, Rajiv Gandhi Infotech Park, MIDC SEZ, Phase-III, Maan, Taluka- Mulshi, Hinjawadi, Pune-411057, (hereinafter referred to as 'the Company'), 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 Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and 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 certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March 2023, have 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 other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1	Mr. S. B. (Ravi) Pandit	00075861	08 January 2018
2	Mr. Kishor Parshuram Patil	00076190	08 January 2018
3	Mr. Sachin D. Tikekar	02918460	08 January 2018
4	Mr. Anant Jaivant Talaulicar	00031051	16 January 2019
5	Mr. Subbu Venkata Rama Behara	00289721	16 January 2019
6	Dr. Nickhil Harshavardhan Jakatdar	05139034	16 January 2019
7	Prof. Alberto Luigi Sangiovanni Vincentelli	05260121	16 January 2029
8	Ms. Bhavna Doshi	00400508	15 September 2021
9	Prof. Rajiv Lal	09360601	01 November 2021
10	Mr. Anup Sable	00940115	22 December 2021
11	Mr. Chinmay Shashishekhar Pandit	07109290	26 July 2022

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my 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.

Dr. K R Chandratre
FCS No. 1370, C P No: 5144
UDIN: F001370E000196114
Peer Review Certificate No.: 1206/2021

Place: Pune
Date: 26 April 2023

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the Listed Entity

1	Corporate Identity Number (CIN) of the Listed Entity	L74999PN2018PLC174192
2	Name of the Listed Entity	KPIT Technologies Limited
3	Year of incorporation	2018
4	Registered office address	Plot No. 17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Taluka - Mulshi, Hinjawadi, Pune-411057.
5	Corporate address	Plot No. 17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Taluka - Mulshi, Hinjawadi, Pune-411057.
6	E-mail	grievances@kpit.com
7	Telephone	+91 20 6770 6000
8	Website	www.kpit.com
9	Financial year for which reporting is being done	FY 2022-23 (1st April 2022-31st March 2023)
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11	Paid-up Capital	₹ 274.143 crore
12		**Contact Person**
	Name of the Person	Mr. Sachin Tikekar
	Telephone	+91 20 6770 6000
	Email address	grievances@kpit.com
	Reporting Boundary	
13	**Type of Reporting- Select from the Drop-Down List**	
	If selected consolidated:	
	The disclosures under this report are Consolidated Basis unless otherwise specified	

Sr. No	Name of the Subsidiaries/JVs/Associate Companies	CIN Number
1	KPIT Technologies (UK) Limited	NA
2	KPIT Technologies Netherlands B. V.	NA
3	KPIT Technologies Holding Inc.	NA
4	KPIT Technologias Ltda	NA
5	KPIT (Shanghai) Software Technology Co. Limited	NA
6	KPIT Technologies GK	NA
7	KPIT Technologies Pte. Limited (struck-off during the year)	NA
8	KPIT Technologies GmbH	NA
9	ThaiGerTec Co., Limited	NA
10	MicroFuzzy Industrie-Elektronic GmbH	NA
11	KPIT Technologies Inc.	NA
12	PathPartner Technology Private Limited	U72900KA2006PTC039891.
13	PathPartner Technology Inc	NA
14	PathPartner Technology GmbH	NA
15	Future Mobility Solutions GmbH	NA
16	SOMIT Solutions Limited	NA
17	SOMIT Solutions Inc.	NA
18	Technica Engineering Inc.	NA
19	Technica Engineering GmbH	NA
20	Technica Electronics Barcelona S.L.	NA
21	Technica Engineering Spain S.L.	NA
22	KPIT Technologies S.A.S.	NA
23	Qorix GmbH	NA

Note: The environment data disclosed in BRSR is limited to the Company .

II. Product/Services

14 Details of business activities

Sr. No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
1	Professional, Scientific and Technical	Architecture, engineering activities, technical testing and analysis activities	99.98

15 Products/Services sold by the entity

Sr. No.	Product/Service	NIC Code	% of Total Turnover contributed
1	Architectural and engineering activities and related technical consultancy	711	99.98%
2	Technical testing and analysis	712	

III. Operations

16 Number of locations where plants and/or operations/offices of the entity are situated:

Location	No. of Offices	Total
National	07	07
International	22	22

17 Market served by the entity

a. No. of Locations

Location	Numbers
National (No. of States)	03
International (No. of Countries)	14

b. What is the contribution of exports as a percentage of the total turnover of the entity?	KPIT has a global presence across America, Europe, and APAC and we engage with Automotive OEMs and Tier1s across the vehicle product lifecycle and provides services in the domains of Electric and Conventional Powertrain, Autonomous Driving, Digital and Connected Vehicle Technologies, Vehicle Networks, Vehicle Diagnostics and Vehicle Engineering and Design
c. A brief on types of customers	

IV. Employees

18. Details as at the end of Financial Year:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
a.	**Employees and workers (including differently abled)**					
		Employees				
1	Permanent Employees **(D)**	9861	6963	71%	2898	29%
2	Other than Permanent Employees **(E)**	777	570	73%	207	27%
3	**Total Employees (D+E)**	**10638**	**7533**	**71%**	**3105**	**29%**
		Workers				
4	Permanent **(F)**	67	53	79%	14	21%
5	Other than Permanent **(G)**	0	-	-	-	-
6	**Total Workers (F+G)**	**67**	**53**	**79%**	**14**	**21%**

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
b.	**Differently abled employees and workers**					
		Employees				
1	Permanent Employees **(D)**	1	1	100%	0	0
2	Other than Permanent Employees **(E)**	0	-	-	-	-
3	**Total differently abled Employees (D+E)**	**1**	**1**	**100%**	**0**	**0**

19. Participation/Inclusion/Representation of women

Sr. No.	Category	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1	Board of Directors	11	1	9%
2	Key Management Personnel	2*	2	66.67%*

*MD & CEO is both BoD & KMP and counted in Board of Directors category.

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Category	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	28%	23%	27%	31%	27%	30%	25%	24%	25%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether it is a holding / Subsidiary / Associate / or Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	KPIT Technologies (UK) Limited	Subsidiary	100%	Yes
2	KPIT Technologies Netherlands B. V.	Subsidiary	100%	Yes
3	KPIT Technologies Holding Inc.	Subsidiary	100%	Yes
4	KPIT Technologias Ltda	Subsidiary	99.99%	Yes
5	KPIT (Shanghai) Software Technology Co. Limited	Subsidiary	100%	Yes
6	KPIT Technologies GK	Subsidiary	100%	Yes
7	KPIT Technologies Pte. Limited (struck-off during the year)	-	-	-
8	KPIT Technologies GmbH	Subsidiary of KPIT Technologies (UK) Limited	27.27%	Yes
9	ThaiGerTec Co., Limited	Subsidiary of KPIT Technologies (UK) Limited	0.06%	Yes
10	MicroFuzzy Industrie-Elektronic GmbH	Wholly owned subsidiary of KPIT Technologies GmbH	100%	Yes

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether it is a holding / Subsidiary / Associate / or Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
11	KPIT Technologies Inc.	Wholly owned subsidiary of KPIT Technologies Holding Inc.	100%	Yes
12	PathPartner Technology Private Limited	Subsidiary	80%	Yes
13	PathPartner Technology Inc.	Wholly owned Subsidiary of PathPartner Technology Private Limited	80%	Yes
14	PathPartner Technology GmbH	Wholly owned Subsidiary of PathPartner Technology Private Limited	80%	Yes
15	Future Mobility Solutions GmbH	Associate of KPIT Technologies GmbH	25%	-
16	SOMIT Solutions Limited	Subsidiary of KPIT Technologies (UK) Limited	100%	Yes
17	SOMIT Solutions Inc.	Wholly owned Subsidiary of SOMIT Solutions Limited	100%	Yes
18	Technica Engineering Inc.	Wholly owned Subsidiary of KPIT Technologies Inc.	100%	Yes
19	Technica Engineering GmbH	Wholly owned Subsidiary of KPIT Technologies GmbH	100%	Yes
20	Technica Electronics Barcelona S.L.	Wholly owned Subsidiary of KPIT Technologies GmbH	100%	Yes
21	Technica Engineering Spain S.L.	Wholly owned Subsidiary of KPIT Technologies GmbH	100%	Yes
22	KPIT Technologies S.A.S.	Wholly owned Subsidiary of KPIT Technologies Netherlands B. V.	100%	Yes
23	Qorix GmbH	Subsidiary	100%	Yes

VI. CSR Details

22. a. **Whether CSR is applicable as per section 135 of Companies Act, 2013:** Yes

Turnover (in Rs.) ₹ 15,164.29 million

Net worth (in Rs.) ₹ 13,837.26 million

VII. Transparency and Disclosures Compliances

23. **Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanim in Place (Yes/No)	If yes, then provide web-link for grievance redress policy	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	CSR committee or CSR partner monitors and address the Grievances in the community https://www.kpit.com/investors/policies-reports-filings/	No complaints were filed by communities, Investors, and shareholders during FY23 and FY22					
Investors (other than shareholders)	Yes	https://www.kpit.com/investors/policies-reports-filings/						
Shareholders	Yes	https://www.kpit.com/investors/policies-reports-filings/						
Employees and workers	Yes	https://assist.kpit.com/#/ticket/home	6	0		0	0	
Customers	Yes	Grievances are addressed at project level (more information provided in principle 8) https://www.kpit.com/investors/policies-reports-filings/	No complaints were filed by Customers and Value chain partners during FY23 and FY22					
Value Chain Partners	Yes	Policies are extended to value chain partners wherever applicable https://www.kpit.com/investors/policies-reports-filings/						

24. Overview of the entity's material responsible business conduct issues

Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Energy & Emission Management	Opportunity	KPIT being an IT service company, most of the energy consumption and related emissions are due to energy consumption in computers, servers, air conditioners and utilities. KPIT believes in switching to renewable sources and installing energy efficient systems and focuses on the initiatives to reduce the carbon footprint. As part of Energy & Emission optimization, KPIT has taken major steps to reduce more than 60% of the energy consumption by, • Replacing the conventional servers, including storage and networks architecture with hyper converged infrastructure • Virtual desktop Infrastructure & thin client combination wherein thin clients are very small compact terminals which consume much lesser energy as compared to traditional desktops. • Traditional desktop along with monitors have been replaced with Energy star & TCO Certified laptops Power saving by hibernating laptops and PCs when they are in idle state for defined time frame.	NA	Positive Impact
Eco Efficiency-Water and Waste management	Risk	Water scarcity can impair the company's operations and disrupt business.	Across KPIT's offices, used water is treated through a sewage treatment plant. Around 80% of water is treated and used for flushing and gardening purposes. Additionally, KPIT undertook several other initiatives to reduce consumption of freshwater: Installed drip irrigation system for internal gardens; Maintained optimum pressure within water lines to reduce water wastage; Arrested leakages in pipelines and taps; Designed a terrace water collection system for efficient collection of water for rainwater harvesting to support groundwater.	Negative Impact
		Inadvertent non-compliance to existing and emerging regulations around recycling and the circular economy can result in economic penalties and reputation damage	Due to the nature of our business, KPIT generates limited waste that includes biodegradable waste, municipal solid waste, e-waste, and hazardous waste. To comply with regulations and reduce environmental impact KPIT strives to reduce the generation and segregate the waste at source.	

Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Talent attraction & retention	Risk and Opportunity	Meeting the increasing demand for new talent poses a significant risk and a unique opportunity. The increasing shifts globally towards the adoption of digital solutions have further increased the skilled employee imbalance. It is an opportunity to align our work culture with global trends. This enhances employee loyalty while also increasing their efficiency. Hiring from local community improves talent retention and also signals to the community that you are invested into. It is not easy as it requires investments to develop a talent pool available over a period.	KPIT focuses on building better workplace of tomorrow; one which promotes equality, a collaborative and transparent culture, and deploys a robust training strategy designed to meet the development needs of employees. KPIT takes several competency developments programs and programs for continuous education for development of our employees. KPIT also has Talent Acquisition Group (TAG) that is responsible for hiring the right talent to deliver world-class services to our clients across the globe.	Positive/Negative Impact
Employee well-being	Opportunity	A healthy workforce is a productive workforce. Establishing a culture of wellness among our employees helps decrease job turnover, increase job satisfaction, manage stress, and reduce absenteeism. The management engages with the employees on their overall wellness. KPIT periodically conducts employee safety awareness programs. KPIT has clear policies and processes to prevent any discrimination and harassment in our workplaces. These are communicated regularly, and the employees are encouraged to report any such incidences. Active and ongoing employee engagement through programs, that enable interaction between employees and peers, employees and performance managers, and employees and leadership, has helped KPIT to have effective strategies in place, which helps create better work culture, reduces staff turnover, increase productivity, builds better customer relationships, and impacts company profit.	NA	Positive Impact

Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Cyber Security	Risk and Opportunity	Cyber Security attacks can severely impact businesses and cause heavy financial loss and damage to reputation. Data privacy is important for staying competitive, grow KPIT's brand and maintain customers. A data breach can lead to serious issues for our customers and the business alike. For this, KPIT uses data protection practices to ensure that the customer's data is secure.	KPIT focuses on investing and surveillance for the cyber security risks, awareness of data security, review of data protection policies and have systems and processes for responding to disruptive incidents. KPIT provide a secure, resilient and reliable technology landscape within the organization for protecting the confidentiality, Integrity, availability of systems/data and risks arising on account of increase in surface area of devices including a cyber insurance that covers different types of breaches and cyber events. KPIT ensures a globally interconnected oversight Cyber Security framework involving governance, policies, procedures, training and awareness programs, global privacy impact assessments, privacy by design, data mapping, third-party contractual oversight, incident management, and a mechanism for monitoring regulatory compliance for every geography. KPIT security posture has been validated by independent, industry- recognized certifications and attestation standards, including quarterly oversight by the KPIT Board. KPIT conducts regular internal & external audits and is aligned/certified with the Information Security Management (ISO/IEC 27001) & TISAX. Wherein TISAX is a European automotive industry-standard information security assessment (ISA) catalog based on key aspects of information security such as data protection and connection to third parties.	Positive/Negative Impact
Sustainable Procurement	Risk and Opportunity	Sustainable procurement helps an organisation to understand and evaluate its ESG footprint across its value chain. Sustainable supply chain also helps de-risk the impact from supply chain because some of the ESG risks can create business continuity issues.	During onboarding of vendors KPIT makes sure the vendors certify the code of conduct	Positive/Negative Impact
Customer Value	Risk	It is the driving force that propels KPIT towards providing newer, better services, a more enriching experience through assisting its clients to innovate through advanced technology and digitalization while being responsible and respectful in its usage, and significantly better value for money to our customers. Our solutions, products and offerings, sales, and delivery processes are not only customer-centric and help them become future-proof but also sustainable one.	KPIT believes that any opportunity not capitalized is a risk. KPIT has a dedicated team which works with various sector heads to identify opportunities related to sustainability and create the appropriate solution for our clients. KPIT also conducts CSAT quarterly, it includes parameters on delivery, quality, cost, project management, responsiveness, value addition for clients, NPS, etc.	Negative Impact

Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Intellectual property infringement	Risk	Possible risk of third-party Intellectual Property infringement by the employees of the company (intentional or unintentional) while working on projects which may result in litigations, huge penalties and impact on reputation. Possible risk of infringement of KPIT Intellectual Property by third party which may have impact on ownership rights and revenues.	KPIT obtains confidentiality undertaking from employees and conduct training and awareness sessions for them. KPIT has created and implemented IP infringement policy / framework based on external review, established IP management framework, processes and procedures that address the risk of infringement of third-party IP and ensure safeguarding of own IP assets. KPIT has also established IP Governance process to ensure right access and right use of KPIT IP, customer IP, partner IP, and third-party IP in service.	Negative Impact
Climate change	Risk and Opportunity	Climate change poses both a physical and a policy risk to the business operations. There is a growing requirement from regulatory authorities, clients, partners and investors to disclose, commit and work towards reduced emissions.	For KPIT this amounts to risk and opportunity both since increased operation cost due to climate change and lost opportunity cost from a business environment will lead to business and finance risk. However, it is opportunity for KPIT as through its suit of IT services that KPIT can help clients reduce their carbon footprint.	Positive/Negative Impact

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

(This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements)

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available*	https://www.kpit.com/investors/policies-reports-filings/								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	All the applicable policies are extended to value chain partners								
4	Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Quality Management System (ISO 9001:2015) Business Continuity Management (ISO 22301), Information Security Management (ISO/IEC 27001) GRI (Global Reporting Initiative)								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	KPIT is in the process of developing goals and targets and will disclose the goals and targets as and when required to be disclosed.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									
Governance, Leadership and Oversight										
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements –	The Letter from Chairman's Desk, Joint Letter from CEO & Managing Director and President & Joint Managing Director are available in Annual report.								
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	DIN: 02918460 Name: Mr. Sachin Tikekar Designation: President & Joint Managing Director Telephone Number: +91 20 6770 6000 E-mail ID: grievances@kpit.com								
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	In KPIT, all the sustainability aspects are overseen by the CSR committee.								

*Most of the policies in respect of the aforesaid principles have been approved by the Board. The remaining policies are internal policies, which have been approved by the concerned Department Heads. The policies which have been approved by the Board can be viewed on the website of the Company at https://www.kpit.com/investors/policies-reports-filings/ and the remaining policies are internal documents and are available on intranet for all employees.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	The performance against all the policies is reviewed on periodical / annual / quarterly / half yearly basis.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes, we comply with all the applicable law of the land we operate in.																	

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency	KPIT evaluates working of its policies, internally.								

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Not Applicable

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 **Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	11	The Company familiarizes its Independent Directors through various programs which include the industry in which it operates, its business strategy, it's vision and values, business model etc. at regular intervals. Business Ethics, Equal employment opportunities, fair practices	100%
Key Management Personnel	8	Customer focus, Equal employment opportunities, fair practices prevention of insider trading, Non-Harassment & Prevention of Sexual Harassment Conflict of Interest, Data Protection, Anti-corruption, and Anti-Bribery	100%
Employees other than BODs and KMPs	6165	E-Learning Modules, Community Contribution, Customer focus, Equal employment opportunities, Non-Harassment & Prevention of Sexual Harassment, Conflict of Interest, Data Protection, Anti-corruption, and Anti-Bribery	100%

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.**

a.

Monetary					
Type	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In ₹)**	**Brief of the case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine			None		
Settlement			None		
Compounding fee			None		

b.

non-Monetary				
Type	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Brief of the case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment		None		
Punishment		None		

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

   Not Applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

   KPIT's Code of Conduct covers the aspect of anti-corruption or anti-bribery. It clearly specifies the company stand – of Non- tolerance to Anti-Corruption & Anti-Bribery and prohibits all the employees, directors and associates from accepting/ offering money or anything of value as bribes to anyone – individual or an entity – for the purpose of obtaining or retaining business for KPIT Technologies, or otherwise in connection with KPIT Technologies' business operations. https://www.kpit.com/investors/policies-reports-filings/ .

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

   There have been no cases of disciplinary action taken by any law enforcement agency for charges of bribery/ corruption against directors / KMP / employees / workers that have been brought to our attention in FY 2022-23 or FY 2021-22.

6. **Details of complaints with regard to conflict of interest:**

   Not applicable, since there were no complaints received in relation to issues of Conflict of Interest against the Directors or KMPs of the company during the Current Financial Year FY 2022-23 or Previous Financial Year FY 2021-22.

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

   Not Applicable as there were no complaints on conflict of interest.

LEADERSHIP INDICATORS

1. **Awareness programs conducted for value chain partners on any of the principles during the financial year:**

   Not Applicable

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

   Yes, the board and employees of KPIT are adhered to the code of conduct, which clearly states that KPIT Technologies wants its director's/ employees' loyalty to come easily, free from any conflicting interests. All directors and employees have a duty to avoid financial, business, or other relationships that might be opposed to the interests of KPIT or might cause a conflict with the performance of their duties. Directors and employees should conduct themselves in a manner that avoids even the appearance of conflict between their personal interests and those of KPIT. If a director/ employee feels that he/she has a conflict, actual or potential, or , if a director/ employee observes any situation involving another director/employee that he/she believe in good faith to be a conflict of interest, the same must be reported with all pertinent details in writing to the HR Head.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Type	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	Details of improvement in social and environmental aspects
Research & Development (R&D)	100%	100%	At KPIT, we have been working on development of technologies such as Fuel Cell, Battery, Electric Power train and biomass-based Hydrogen generation. Commercial implementation of these technologies will reduce our dependency on fossil fuels, thereby leading to significant reduction in CO_2 emission. The technologies thus, will have a positive impact on the environment when deployed at scale.
Capital Expenditure (CAPEX)	100%	100%	

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, KPIT has a policy for sustainable sourcing for overall procurement of goods & services where Vendors must certify that they are abiding by code of conduct which lists multiple clauses towards environment & sustainable sourcing.

b. **If yes, what percentage of inputs were sourced sustainably?**

Not Applicable

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Product	Process to safely reclaim the product
a. Plastics (including packaging)	Not Applicable, KPIT is an IT product/services company and do not manufacture any product.
b. E-Waste	
c. Hazardous Waste	
d. Other Waste	

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

KPIT is an IT product/services company and do not manufacture any product, hence the Extended Producer Responsibility (EPR) is not applicable to our activities.

LEADERSHIP INDICATORS

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

Not Applicable

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

   Not Applicable

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

   Not Applicable

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

   Not Applicable

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

   Not Applicable

PRINCIPLE 3 | Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% Of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	5659	5659	100%	5659	100%	-	-	5659	100%	-	-
Female	2588	2588	100%	2588	100%	2588	100%	-	-	-	-
Total	**8247**	**8247**	**100%**	**8247**	**100%**	**2588**	**100%**	**5659**	**100%**	**-**	**-**
Other than Permanent Employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

b. Details of measures for the well-being of workers:

   Not Applicable

2. **Details of retirement benefits, for Current FY and Previous Financial Year:**

Sr. No.	Benefits	FY 2022-23 (Current FY)			FY 2021-22 (Previous FY)		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	100%	NA	Y	100%	NA	Y
2	Gratuity	100%		Y	100%		Y
3	ESI	2%		Y	1%		Y
4	Others-Please Specify						

KPIT's employee benefit schemes include gratuity, provident fund, and ESI. The employee and employer contribution to the provident fund is as prescribed under applicable laws . The benefit of ESI covers employees with salary bracket of less than 20,000 ₹/Month and rest of the employees are facilitated with medical/health insurance.

3. **Accessibility of workplaces:**

   Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

   KPIT complies with the requirements of the Rights of Persons with Disabilities Act, 2016. The facilities are accessible to differently abled employees with infrastructure which enables them to have a barrier free access to common facilities.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

   KPIT believes in no discrimination whatsoever because of sex, sexual orientation, race, colour, religious creed, veteran status, national origin, age, disability, marital status or any other characteristic protected by law. All conditions of employment, from hiring to termination, are framed in such a way that they are free of actions that violate statutory regulations or have the effect of being discriminatory. KPIT takes appropriate action to ensure that the rights of individuals to file complaints, furnish information, or participate in an investigation, public hearing, or other activity related to equal employment opportunity matter will be respected and not interfered with in any manner. In case any employee faces an act of discrimination, he/she may approach Head Global HR, who is charged with the responsibility for assuring that complaints are appropriately addressed on a timely basis.

   Refer KPIT's Code of Conduct https://www.kpit.com/investors/policies-reports-filings/

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	(Permanent Employees)		(Permanent Workers)	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	98%	63%	NA	NA
Female	54%	68%	NA	NA
Total	78%	65%	NA	NA

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

Category	Yes/No	Details of the mechanism in brief
Permanent Workers	NA	KPIT's has a Code and Conduct and whistle blower policy that lays guideline for the employees to raise grievances on subject of prohibited discrimination, harassment and/or retaliation, breaches in security and data privacy, breaches of employment or labor laws, Insider trading, violation of company's code of conduct, any act which Conflicts with the interest of the Company. Complaints can be made in English, Hindi or vernacular languages. For more details refer to the following link, https://www.kpit.com/investors/policies-reports-filings/
Other than Permanent Workers	NA	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

7. **Membership of employees and worker in association(s) or Unions recognized by the listed entity:**

Category	FY 2022-23 (Current FY)			FY 2021-22 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D/C)
Male	6963	53	0.76%	5261	46	0.87%
Female	2898	14	0.48%	2237	8	0.36%
Total	**9861**	**67**	**0.68%**	**7498**	**54**	**0.72%**

KPIT respects the right of employees to assemble, communicate, and encourages them to join employee-related associations and provide freedom. KPIT also ensures that it complies with local laws in all of the regions in which it works. Even though we encourage our employees to be part of the associations, only the employees in Brazil are members of the local employee-related associations.

8. **Details of training given to employees and workers:**

Employee Trainings:

Category	FY2022-23 Current Financial Year					FY2021-22 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	6963	554	8%	4744	68%	5261	369	7%	2883	55%
Female	2898	286	10%	2064	71%	2237	151	7%	1381	62%
Total	**9861**	**840**	**8.5%**	**6808**	**69%**	**7498**	**520**	**7%**	**4264**	**57%**

Workers Trainings:

Category	FY2022-23 Current Financial Year					FY2021-22 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Workers										
Male	133	104	78%	105	79%	130	103	79%	104	80%
Female	31	17	55%	19	61%	26	16	62%	19	73%
Total	**164**	**121**	**74%**	**124**	**76%**	**156**	**119**	**76%**	**123**	**79%**

9. **Details of performance and career development reviews of employees and worker:**

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	4916	4381	89%	3860	3692	96%
Female	1981	1811	90%	1553	1489	96%
Total	**6897 ***	**6192**	**91%**	**5413**	**5181**	**96%**

***This number has arrived based on the employee eligibility for performance review for the current year.**

10. **Health and safety management system:**

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No)**

Yes

a. What is the coverage of such system?	KPIT has a well-defined Occupational Health and Safety (OHS) policy and supporting processes to ensure the safety and well-being of its employees. 84% of headcount is covered under OH & S management system. To achieve the intended outcome of EOHS management system, KPIT has established, implemented, maintained, and continually improving its EOHS management system through its processes and interactions.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	KPIT has OH & S management system with well-defined procedures to carry out assessment of work-related hazards and risks for all routine and non-routine activities carried out at work locations. Procedures are setup for the hazard identification, risk assessment and determination of necessary controls.
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)	Yes. KPIT has a safety incident reporting and management process to ensure that all work-related incidents (which include accidents, unsafe conditions, and unsafe acts) are reported and closed after taking necessary corrective actions. This is enabled by creating email ID "workplacesafety@kpit.com" & ASSIST (platform) for incident reporting by all KPIT employees to facilitate transparent reporting. The platform also supports incident investigation and corrective action with the perspective of eliminating hazards and preventing incidents.
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes, KPIT facilitates employees - with on-occupational medical and healthcare services like Doctor consultations, Counselling sessions and Teleconsultations.

11. **Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Last Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
Total recordable work-related injuries			
No. of fatalities			
High consequence work-related injury or ill-health (excluding fatalities)			

As KPIT is a service-based IT industry, due to nature of business and systems in place there are no recordable instances of injury/incidents.

12. **Describe the measures taken by the entity to ensure a safe and healthy workplace.**

KPIT has a robust annual calendar with a wide range of activities for ensuring health and wellbeing of employees. The programs were carried in all geographies where KPITians work in collaboration with its wellness partners. The following activities were carried out by the Company for ensuring health and safety of its employees in the year 2022-23.

- Wellness calendar with focus on nutrition, wellness, stress management, mental health, meditation, e.g., 'Laughter Yoga Workshop' 'Healthcare programs', 'Preventive Care During Monsoon' etc
- Live virtual Health Studio with doctors and teleconsultation, exclusively for women employees of KPIT
- Specially organized Financial Wellbeing Webinar along with consultation

- Dedicated 2 full months of yoga sessions for senior management on the occasion of International Yoga Day
- Extensive webinars on Mental & Emotional Health
- Continuous awareness among employees through leadership videos, myWorld banners and communication

13. Number of Complaints on the following made by employees and workers:

Topic	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	5	0	-	0	0	-
Health & Safety	3	0	-	0	0	-

14. Assessments for the year:

Topic	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	All the facilities are assessed internally for health and safety practices at regular intervals
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

As KPIT is a service-based IT industry, due to nature of business and systems in place there are no recordable instances of injury/incidents and there were no significant risks / concerns identified during the internal assessments.

KPIT has processes, systems and procedures in place for incident reporting, investigation and implementation of appropriate corrective measures. This is enabled by creating email ID "workplacesafety@kpit.com" & ASSIST for incident reporting by all KPIT employees to facilitate transparent reporting. The platform also supports incident investigation and corrective action with the perspective of eliminating and preventing incidents.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

a. Employees (Yes/No): Yes

b. Workers (Yes/No): Not Applicable

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

KPIT ensures timely deduction and deposit of statutory dues.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Not Applicable, as there were no high consequence work-related injury / ill-health / fatalities.

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No).

KPIT provides transition assistance programs for employees that are terminated.

5. Details on assessment of value chain partners:

Topic	% Of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Currently KPIT is in the process of extending the Health & Safety related assessments to its value chain partners and looking forward to conducting the assessments in near future.
Working Conditions	

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   Not Applicable

PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity:**

   KPIT recognizes key stakeholders as employees, groups of individuals, or institutions that are important to the business value chain and makes sure to routinely connect with them to understand their needs. Following this guiding principle, the company recognizes its key stakeholders as its employees, shareholders and investors, lenders, customers, suppliers and vendors, local communities and government bodies near the company's facilities, professional bodies and regulators. It interacts with them to enable effective two-way communication, identification, and resolution of any difficulties, as well as the creation of a shared value. It regards its internal and external stakeholders as key business partners.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Newsletters, employee satisfaction surveys and various trainings, rewards and recognitions, online meeting with eminent personalities and online team building activities	Weekly/ Monthly/ Quarterly/ Annually	• Employee Diversity and Inclusion • Employee Engagement • Feedback and grievance redressal • Career development • Safety and healthy work culture • Training Programs
Shareholders & Investors	No	Analyst calls, Press releases, e-AGM and annual report, social media, KPIT Website	Quarterly	• Understanding Shareholder expectations • Educating the investor about the business performance, assets, environment, market, future plan, etc. of KPIT
Banks/ Lenders	No	Personal Visits	Quarterly and Need Basis	• Credit worthiness • Fair business practices • Ethical Behavior
Suppliers	Yes	Personal Visits, satisfaction surveys	Annually and Need Basis	• Risk assessment

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Personal Visits, Sustainability portal on the website, Customer Satisfaction surveys, Biannual customer leadership meets, social media	Annually and Need Basis	• Opportunity to improve KPIT services • Understanding clients and industry challenges
Community	Yes	Surveys, Focus Group Discussions and One on One interview, Stakeholder Meetings, Information Sharing and Capacity Building, Press releases, social media, KPIT Website	Quarterly and Need Basis	• Understanding opportunities for sustainable development • Retain KPIT brand and reputation • Feedback and grievance redressal
Government & Regulatory Authorities	No	Industry body/forums	Monthly/ Quarterly and Need Basis	• Understanding and complying to land regulations

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   KPIT believes that ongoing, proactive involvement with its stakeholders helps to better align expectations and increase stakeholder trust and confidence, both of which contribute to preserving and enhancing the value created along the chain. Depending on the type of the identified material issue, the Board is informed of various developments via periodic reports and information directly from senior management members who have the functional responsibility for certain ESG concerns.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   One of the most important factors in choosing our material topics is the input from stakeholder engagements. Our policies and practices take into account the feedback we get from stakeholders through ongoing engagement. To choose the material topics, the risk and responsibility matrix is used to prioritise the issues.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   KPIT has identified the women from rural areas nearby Pune and Bengaluru as vulnerable/marginalized stakeholder groups through the needs assessment conducted. In collaboration with Maharshi Karve Stree Shikshan Samstha (MKSSS), Pune and Swami Vivekananda Youth Movement (SVYM), KPIT conducted an Economic Empowerment of Women through skill training program. The primary goal was to support the rural women who lost their employment due to the pandemic. A 10-month training program, "Patient Assistant Course", was conducted that had special emphasis on inculcating empathetic and ethical behavior beyond the patient care. In the FY 2021-22, 23 candidates out of 25 were placed in Ayushman health care center and other private healthcare institutions in Mysuru and 20 students were placed in various hospitals in Pune.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

All the employees are provided training during their induction on the code of conduct, which covers the guidelines and organization's stand on the Human rights. Additionally, POSH related training is provided to new hires during induction and periodically to all the existing employees.

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees Permanent										
Male	7533	0	0%	7533	100%	4391	4391	100%	0	0%
Female	3105	0	0%	3105	100%	2028	2028	100%	0	0%

3. **Details of remuneration/salary/wages, in the following format:**

	Male		Female	
	Number*	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	10#	₹ 8.57 million	1	₹ 3.80 million
Key Managerial Personnel (KMP)	0	0	2	₹ 7.59 million
Employees other than BoD and KMP	5803	₹ 1.10 million	2638	₹ 1.02 million

* Details of remuneration are on standalone basis.

MD and CEO is both BoD and KMP and counted in Board of Directors category.

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

KPIT has a Human Rights Policy that lay down guidelines for raising the grievances related to the human right. Also, Vigil mechanism and Whistle blower Mechanisms are in place for receiving and addressing complaints and feedback related to human rights violations and process improvements. Under the Company's Vigil mechanism and Whistle blower Policy, any individual employee or director or any other person working for the company may make a Protected Disclosure regarding human right violations, keeping the organization's interest in mind. The mechanism clearly provides the procedures for raising complaint, receipt and treatment of complaint and investigation process & responsibilities and Non- retaliation.

6. **Number of Complaints on the following made by employees and workers:**

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	**Pending resolution at the end of year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of year**	**Remarks**
Sexual Harassment	1	0	There is a complaint which is duly taken care by the POSH committee and necessary actions were taken	1	0	There was a complaint which is duly taken care by the POSH committee and necessary actions were taken
Discrimination at workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/ Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

KPIT has a Vigil Mechanism & Whistleblower Policy that incorporates discrimination and harassment topics. KPIT also have a POSH policy that clearly defines the grievance mechanism with the procedure to raise complaints against sexual harassment, enquiry procedure which indicates the member of scrutiny committee, procedure of complaint investigation, and redressal.

8. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, the contract with the clients covers the clauses on Anti-corruption/anti-bribery, child labor, forced labor, etc.

9. **Assessments for the year:**

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	KPIT internally evaluates and monitors the adherence of all its employees to Code of Conduct. KPIT monitors the complaints raised by the employees on the mentions categories.
Forced/involuntary labor	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.**

Not applicable, as there were no significant risks or concerns that were raised in the reporting period and FY22

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

Not applicable as no such instances has arrived as there is a robust mechanism in place to address any human rights issues.

2. **Details of the scope and coverage of any Human rights due diligence conducted.**

KPIT has not conducted Human rights due diligence, however the issues pertaining to human rights is monitored and addressed.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

4. Details on assessment of value chain partners:

	% Of value chain partners (by value of business done with such partners) that were assessed
Child labour	We ensure our value chain partners to follow human rights guidelines through inclusion- of clauses on Anti-corruption/anti-bribery, child labor, forced labor, etc in the contract agreement with the clients.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable

PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter (Energy in GJ)	FY 23 (Current Financial Year)	FY 22 (Previous Financial Year)
Total electricity consumption **(A)**	9327	7335
Total fuel consumption **(B)**	602	489
Energy consumption through other sources **(C)**	-	-
Total energy consumption (A+B+C)	**9929**	**7824**
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees) (GJ/million rupees)	0.655	0.662
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable, as none of our sites / facilities are identified as DCs and not under PAT scheme.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 23 (Current Financial Year)	FY 22 (Previous Financial Year)
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	31484	24721

Parameter	FY 23 (Current Financial Year)	FY 22 (Previous Financial Year)
(iv) Seawater / desalinated water	0	0
(v) Others (Rainwater storage)	5210	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**36694**	**24721**
Total volume of water consumption (in kilolitres)	36696	24721
Water intensity per rupee of turnover (Water consumed in KL / turnover in Crore ₹) – (kL/million rupees)	2.419	2.093
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

   Yes, KPIT optimizes the water consumption through various conservation initiatives and installed STP at the own and operating facilities, where the wastewater generated is treated and reused for gardening activities, thereby ensuring no liquid is discharged outside of the premises.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 23 (Current Financial Year)	FY 22 (Previous Financial Year)
NOx	mg/m3	22.6	21.5
Sox	mg/m3	20.4	16.1
Particulate matter (PM)	mg/m3	38.6	50.9
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – please specify	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 23 (Current Financial Year)	FY 22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	tCO_2e	326	117
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	tCO_2e	1176	1249
Total Scope 1+ Scope 2 Emissions	tCO_2e	**1502**	**1366**
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCO_2e/ million rupees	0.10	0.12
Total Scope 1 and Scope 2 emission intensity (optional)– the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide detail

Yes,

Due to our large and growing workforce, we use a significant number of desktops. However, they come with their own set of challenges:

- Power consumption increases in equal proportion to the number of employees. Therefore, there is a constant need to control this with energy-efficient solutions.
- Standalone computers with existing technologies are user-specific and prevent optimum space utilization and easy transferability.
- Due to advancements in technology, computers need to be replaced every five years to be energy efficient.
- The disposing of computers every five years results in an increase in e-waste.
- As a growing organization, we constantly require efficient and scalable IT infrastructure.

Energy and Emission savings:

- More than 60% reduction in energy consumption was achieved in data storage and managements systems by moving to the private cloud platform (including new technologies like hyper converged) with VDL as compared to using conventional computers/ servers.
- Cisco Unified Computing System, which is included as part of the private cloud platform, delivers high-memory capacity to support a large number of virtual machines on each blade server, thus reducing the amount of physical equipment to be powered and cooled.
- The desktop computers that consume around 150 watts of electricity, were replaced with very small devices called thin clients that consume just 30 watts. This has resulted in energy savings of approximately 3,00,000 units per year amounting to 375 MT of CO_2 emission.
- Reduction in travel across locations: KPIT has deployed best of the solutions such as Cisco Telepresence (Audio/Video conferencing) & Microsoft Teams across the offices and Cisco WebEx for better collaborations. With these solutions, our users can have conference meetings from anywhere and through any device.
- Solar plant of capacity 536 KW is installed & commissioned at phase 3 on 2nd Aug'21, this helped us in avoiding 228 tCO_2 and 759 tCO_2 in FY 22 and FY 23 respectively.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 23 (Current Financial Year)	FY 22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	2.811	0.42
E-waste **(B)**	12.345	0
Bio-medical waste **(C)**	0	0
Construction and demolition waste **(D)**	0	0
Battery waste **(E)**	0	0
Radioactive waste **(F)**	0	0
Other Hazardous waste. Please specify, if any. **(G)**	0.0988	0.22
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	9.21	11.03
Total (A+B + C + D + E + F + G+ H)	**24.4648**	**11.67**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	24.4648	11.67
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	**24.4648**	**11.67**

Parameter	FY 23 (Current Financial Year)	FY 22 (Previous Financial Year)
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	**0**	**0**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

KPIT, being a global technology & service providing organization, don't consume or use any hazardous or toxic chemicals in any of its processes. The company has offices and facility operations, the waste is generated from the auxiliary processes used to run these facilities. Based on the nature of services, KPIT's facilities mostly generate electronic, electrical, and municipal solid waste, and generate very less hazardous waste and do not use toxic chemicals. Potentially hazardous and regulated wastes such as lead-acid batteries and waste lube oil are generated in relatively smaller proportions which are disposed through government approved recyclers as per regulations. E-waste is disposed to government approved e-waste recyclers.

Methods of disposal

- Biodegradable (food and garden) waste: We have commissioned a composting plant with a capacity up to 100 kg. This system processes around 100 kg of biodegradable waste daily and generates compost, which is used in garden as manure.
- MSW: Solid waste is segregated at the point of generation. Waste bins are placed at strategic locations, and recyclable waste is sent to an authorized vendor for recycling. We also keep a strict check on the use of paper.
- E-waste: E-waste generated at KPIT includes defunct computers, monitors, servers, etc. and specific electronic and electrical items. All the E-waste generated is sent to authorized recyclers.
- Hazardous waste: Hazardous waste is disposed through authorized agencies as per the guidelines of the Ministry of Environment and Forests (MoEF). Additionally, all the used printer cartridges are sent back to the manufacturer under 'Planet HP Take Back Program' to ensure proper recycling.

10. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Not applicable, as KPIT doesn't operate in or near by any ecological sensitive areas

11. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Not Applicable

12. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Not Applicable

Leadership Indicators

1. **Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

Parameter (GJ)	FY 23 (Current Financial Year)	FY 22 (Previous Financial Year)
From renewable sources		
Total electricity consumption **(A)**	3374	1013
Total fuel consumption **(B)**	-	-
Energy consumption through other sources **(C)**	-	-
Total energy consumed from renewable sources (A+B+C)	**3374**	**1013**
From non-renewable sources		
Total electricity consumption **(D)**	5951	6321
Total fuel consumption **(E)**	602	489
Energy consumption through other sources **(F)**	-	-
Total energy consumed from- non-renewable sources (D+E+F)	**6553**	**6810**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

2. **Provide the following details related to water discharged:**

Not applicable, as all the generated wastewater is treated and reused for horticulture and domestic purpose. No wastewater is discharged outside the premises of organization.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

3. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Not applicable as KPIT and its operational boundaries do not fall under water-stress zones, as also the operations are not water-intensive.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

4. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 23 (Current Financial Year)	FY 22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF6, NF_3, if available)	tCO_2e	1930*	1753*
Total Scope 3 emissions per rupee of turnover	tCO_2e/million rupees	0.12	0.15

*The disclosed Scope 3 emissions covers only Category 13: Downstream Leased assets (For Indian entities only). We are in the process of estimating other categories and will disclose the emissions from relevant categories of scope 3 with Intensity figures in near future.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Solar rooftop – 560 KWp	Solar rooftop of capacity 560KWp was installed in FY21, this helped organization to replace the grid electricity with green electricity and further helped organization in eliminating the emissions related to Grid electricity consumption	IN FY23 this initiative helped the organization to avoid 759 tCO_2 emissions.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, KPIT has a well-established business continuity management framework and is certified for ISO 22301:2019 and is integrated with other quality management systems for consistent deployment across the organization. The function is governed by subject matter experts at various levels of the organization ensuring upkeep of business continuity plans, planning, and executing drills to achieve seamless resumption, in case of any disruption.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

No significant adverse impact envisaged from value chain.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impact

Considering the nature of our business, we won't foresee any environmental impacts that may arise due to our value chain.

PRINCIPLE 7

Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a) Number of affiliations with trade and industry chambers/ associations. -7

b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	CharIN – Charging Interface Initiative	International
2	CCC –Connected Car Consortium	International
3	AVCC - Autonomous Vehicle Computing Consortium	International
4	ASAM - Association for Standardization of Automation and Measuring Systems	International
5	NASSCOM - National Association of Software and Service Companies	National
6	MCCIA - Maratha Chamber of Commerce Industries and Agriculture	State
7	COVESA - Connected Vehicle Systems Alliance	International

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities**

   There are no allegations of anti-competitive behavior by KPIT. The Code of Conduct (https://www.kpit.com/investors/policies-reports-filings/), clearly mentions that KPIT will support a competitive open market and will not get engaged in activities which generate or support unfair trade practices. The directors and employees may appropriately make observations about competitors' products and activities if such observations are based on publicly available information, such as public presentations, public marketing documents, journal and magazine articles, advertisements, and other published information. The directors and employees should not seek information about competitors if such information is proprietary nor should they seek to gain such information illegally or in a way that involves a breach of integrity or breach of any confidentiality or employment agreement. The directors and employees must never misrepresent their identities when attempting to collect competitive information. KPIT Technologies directors and employees who inadvertently obtain a third party's confidential or proprietary information without authorization should immediately contact the KPIT Technologies Head of HR.

LEADERSHIP INDICATORS

1. **Details of public policy positions advocated by the entity**

   KPIT regularly participates and contributes under Industry Alliances / consortiums like NASSCOM, ACMA, MCCIA, others and Technology specific consortiums like AUTOSAR, COVESA, ASAM, CharIN etc. In the interactions at these forums and working committee workshops KPIT leaders and subject matter experts share and exchange views, discuss on various aspects of that topic including (but not limiting to) future roadmap, technology advancements, adoption, usage, sharing experiences, govt. policy interventions, standards, specs etc.

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development.

ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

   Not Applicable, as Social Impact Assessment is not mandated by the law and hence none of our projects are eligible for Social Impact Assessment in FY 2022-23, however we will conduct SIA during FY 2023-24 wherever applicable.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

   Not Applicable

3. **Describe the mechanisms to receive and redress grievances of the community.**

   KPIT's Corporate Social Responsibility ("CSR") policy and guidelines are aligned to have a stronger commitment towards the community by creating long-lasting impact across the focus areas of education, environment, and employee engagement. KPIT firmly believes, through technology and innovation, it can add significant values to the communities worldwide. The company engages with the community directly or indirectly through ongoing projects by continuously monitoring the progress and by addressing the needs of community. CSR committee monitors the implementation of all approved projects and updates to the KPIT Board on half yearly basis.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

   KPIT being a technology developer most of its procurement include high end hardware, software and tools that are procured from OEMs/ local partners and rest of the routine services or non-IT procurements like managing facility, professional services, infrastructure related services etc. are availed through established vendors. -We are in the process of accounting the percentage of input materials sourced from MSMEs/ Small producers and from local suppliers and we wish to disclose the share of procurement in next reporting period.

LEADERSHIP INDICATORS

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

   Not Applicable

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

<table>
<tr><th>Sr. No</th><th>State</th><th>Aspirational District</th><th>Amount spent (INR)</th></tr>
<tr><td>1</td><td>Andhra Pradesh</td><td>Visakhapatnam (Beach Cleaning Activities)</td><td rowspan="20">Following are the project wise CSR spent details during FY23

#Chhote Scientists: ₹ 7,760,281

#Assam Flood Relief Support: ₹ 372,411

#KPIT SPARKLE: ₹ 14,152,382

#KPIT SHODH: ₹ 720,000

Note: The spent amount cannot be divided as per the districts. These are not district dedicated projects.

Participation/Beneficiaries from aspirational districts in each of our projects is mentioned in question 6.</td></tr>
<tr><td>2</td><td>Andhra Pradesh</td><td>Visakhapatnam (KPIT SPARKLE)</td></tr>
<tr><td>3</td><td>Andhra Pradesh</td><td>Vizianagaram (KPIT SPARKLE)</td></tr>
<tr><td>4</td><td>Assam</td><td>Goalpara (Flood Relief Support-Employee Contribution)</td></tr>
<tr><td>5</td><td>Assam</td><td>Barpeta (Flood Relief Support-Employee Contribution)</td></tr>
<tr><td>6</td><td>Assam</td><td>Hailakandi (Flood Relief Support-Employee Contribution)</td></tr>
<tr><td>7</td><td>Assam</td><td>Baksa (Flood Relief Support-Employee Contribution)</td></tr>
<tr><td>8</td><td>Assam</td><td>Udalguri (Flood Relief Support-Employee Contribution)</td></tr>
<tr><td>9</td><td>Assam</td><td>Dhubri (Flood Relief Support-Employee Contribution)</td></tr>
<tr><td>10</td><td>Assam</td><td>Darrang (Chhote Scientists)</td></tr>
<tr><td>11</td><td>Chhattisgarh</td><td>Bijapur (KPIT SHODH)</td></tr>
<tr><td>12</td><td>Jharkhand</td><td>Lohardaga (Chhote Scientists)</td></tr>
<tr><td>13</td><td>Jharkhand</td><td>Gumla (Chhote Scientists)</td></tr>
<tr><td>14</td><td>Jharkhand</td><td>Simdega (Chhote Scientists)</td></tr>
<tr><td>15</td><td>Kerala</td><td>Wayanad (KPIT SPARKLE)</td></tr>
<tr><td>16</td><td>Madhya Pradesh</td><td>Guna (KPIT SPARKLE)</td></tr>
<tr><td>17</td><td>Madhya Pradesh</td><td>Vidisha (KPIT SPARKLE)</td></tr>
<tr><td>18</td><td>Maharashtra</td><td>Nandurbar (KPIT SPARKLE)</td></tr>
<tr><td>19</td><td>Maharashtra</td><td>Osmanabad (Chhote Scientists)</td></tr>
<tr><td>20</td><td>Tamil Nadu</td><td>Virudhunagar (KPIT SPARKLE)</td></tr>
</table>

3. **(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) –**

   No, most of the procurement include high end hardware, software, tools, etc. that are procured from OEMs/ local partners and rest of the routine services for managing facility, infrastructure etc. are availed through established vendors.

   (b) From which marginalized /vulnerable groups do you procure?

   Not Applicable

   (c) What percentage of total procurement (by value) does it constitute?

   Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

Not applicable since the company has standard patents that are not based on traditional knowledge and does not own any intellectual properties based on traditional knowledge.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not Applicable

6. Details of beneficiaries of CSR Projects.

KPIT's CSR activities focus on areas such as Education, Environment, Energy and Employee engagement.

Sr. No	CSR Project	No of persons benefited from CSR Projects	% Of beneficiaries from vulnerable and marginalized group
1	Water Conservation Program	550	100
2	Waste Management	1000	-
3	Conservation of Private Forests in Koyna-Chandoli Corridor	60	100
4	Tree plantation with Ecological Society, 14 Trees Foundation (Pune) & Thayimane (Bengaluru)	10020	100
5	Chhote Scientists & vSolve Competition	63251	70 (Approx)
6	KPIT Sparkle	12000	20 (Approx)
7	KPIT Shodh	100	0
8	KPIT NOVA	10000	20 (Approx)
9	Teaching classes at Thayimane, Bengaluru	65	100
10	Encouraging the Lawn tennis in India	13	0
11	Economic Empowerment of women through skill training	285	100
12	School Kit Donation (India & USA)	3007	100
13	Blood Donation Drives & Donation for Thalassemia Children (India and Thailand)	779	20 (Approx)
14	Disaster Relief Activities	1200	100
15	Donation Campaigns (Food & Clothes) (India, USA, Thailand and Germany)	2855	100
16	Composting Workshops / Activities	3000	0
17	Support to self-help groups/NGOs	400	100
18	Online Teaching at Schools	150	100
19	Climate Ready Lifestyle Programme	31	0
20	Awareness Programs (Environment, River Rejuvenation, Green Roofs, Eco-friendly products, Thalassemia, Anemia & Breast Cancer)	Cannot be measured	
21	Cleanup Drives (River & Beach)		

For further details on CSR projects, please refer to the Annexure of the Board Report in the Annual Report FY 2022-23.

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in responsible manner

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

KPIT has a robust mechanism in place to receive and respond to consumer complaints. For every project in its contract, has details of the responsible team to attend the queries/ complaints with their contact details. The responsibility hierarchy is also clearly defined. Consumer can raise any query or complaints to the assigned team through e-mails. In case of dissatisfaction, the Consumer can escalate his/ her query or complaints to the next responsible person or project lead. Most of the queries were attended to the project level and turn-around time for response is very less.

At the end of every project, KPIT team will seek feedback from the customer through a customer feedback form that analyses both quality and objective of the project outcome and team productivity. It includes the parameters like Delivery, Quality, Cost, Project Management, Responsiveness, value adds for clients, recommendations etc. And also seek additional suggestions that can help KPIT to deliver the best of the best.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Not Applicable, as KPIT is a service industry and do not manufacture any product.

3. Number of consumer complaints

	FY2022-23 Current Financial Year			FY2021-22 Previous Financial Year		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	We did not have any consumer complaints with respect of data privacy, advertising, cybersecurity, delivery of essential services, restrictive trade practices, or unfair trade practices in FY23			We did not have any consumer complaints with respect of data privacy, advertising, cybersecurity, delivery of essential services, restrictive trade practices, or unfair trade practice in FY22		
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Others						

4. Details of instances of product recalls on account of safety issues

	Number	Reason for recall
Voluntary recalls	0	0
Forced recalls	0	0

KPIT is not a manufacturing company hence there are no recalls on account of safety issues.

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

   Yes, KPIT provide a secure, resilient and reliable technology landscape within the organization for protecting the confidentiality, Integrity, availability of systems/data and risks arising on account of increase in surface area of devices including a cyber insurance that covers different types of breaches and cyber events. KPIT ensures a globally interconnected oversight Cyber Security framework involving governance, policies, procedures, training and awareness programs, global privacy impact assessments, privacy by design, data mapping, third-party contractual oversight, incident management, and a mechanism for monitoring regulatory compliance for every geography. KPIT security posture has been validated by independent, industry- recognized certifications and attestation standards, including quarterly oversight by the KPIT Board. KPIT conducts regular internal & external audits and is aligned/ certified with the Information Security Management (ISO/IEC 27001) & TISAX.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   There were no instances relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

LEADERSHIP INDICATORS

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   All the information relating to the products and services of KPIT can be assessed at https://www.kpit.com/

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   Not Applicable, as KPIT is a service industry and do not manufacture any product.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   KPIT has a Business Continuity Plan in place to ensure continual engagement with client. For example, during Covid company enabled multilevel communication with clients, backed by a technology engagement plan covering detailed steps across various aspects of each program, that helped clients with their BCP, anticipating challenges in their business while addressing them with technological solutions. Customers have appreciated the swiftness of KPIT's response, quality control, data protection and the level of support to ensure business continuity.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)? If yes, provide details in brief.**

   Not Applicable, as KPIT is a service industry and do not manufacture any product.

   Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/ No)

   KPIT conducts CSAT surveys quarterly or at a defined frequency agreed with clients through a web-based portal. We take responses on parameters like Delivery, Quality, Cost, Project Management, Responsiveness, value adds for clients, NPS, etc. KPIT also captures clients' voices, primarily qualitative, through one-on-one meetings between C-level executives of clients and KPIT.

5. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches along-with impact-**

      None

   b. **Percentage of data breaches involving personally identifiable information of customers-**

      None

ENTERPRISE RISK MANAGEMENT

KPIT Technologies Limited (“The Company”) has a robust and structured Enterprise Risk Management (ERM) framework which helps in -

- Identification and assessment of risk
- Measurement, mitigation and monitoring of risk
- Reporting and reviewing of risk

The Risk Management Committee of the Board oversees implementation of risk management framework across the company. The Company has created Risk Management Office & has identified risk owner/owners for each risk, who are senior management members of the company. Risks and mitigation plan are reviewed by Risk Management Committee who suggest identification of additional risks and modification of mitigation plan.

The Company’s risk management framework covers Strategic risks, Operational risks, Financial risks, Economic & political risks, Legal & compliance risks, Reputation risks, Physical security & Cyber security risks and Data Privacy risks.

All identified key risks are mapped with Company’s Strategy, Mission and Business environment –

Strategy

1. Cyclical nature/Disruption in Automotive Industry.

Mission

1. **Technology disruption**
2. **Delivery Excellence**
3. **Top Talent retention and attraction**
4. **Inability to grow in T25 accounts**
5. **Profitability management**

Business Environment

1. **Major currency fluctuation**
2. **Economic & Political events impacting business stability**
3. **Liability from customer contracts.**
4. **IT Infrastructure availability & Cyber security risk**
5. **Intellectual Property infringement**
6. **Data Privacy risk**

Summary of key risks

Based on annual review of business operations and risk exposure –

- "Data privacy risk" is identified as a key risk.
- "Employee safety" risk is not monitored as a key risk as the Company has all the safety measures in place and COVID situation is also under control.

Risk & Impact	Mitigation Plan
Cyclical nature / Disruption in Automotive Industry - The Company's current revenues are generated from automotive vertical and in particular passenger car segment. Cyclical nature / disruption in automotive industry can have an impact on company's growth and profitability.	Monitor the Automotive industry to have visibility of Industry software spend. Investments to be aligned to Client software spend to support client's roadmap of software defined vehicles and software architecture programs. Focusing on partnerships and alliances for specific skills/ expertise.
Technology Disruption - Emergence of new and disruptive Technologies can create disruption in Company's business model	Set up Practice Development Forum's to align to Software Defined Vehicle (SDV) offerings. Evaluation of product strategy for development, validation and networking tools to make SDV transition for OEMs. Evaluate, assess and adopt new and disruptive technologies.
Delivery Excellence – Overall automotive industry is becoming more and more competitive with stricter regulations relating to vehicle safety, emission being introduced around the world. Work that we do for our clients is critical for their production program to help them bring their products to market smarter, faster and better. Delays may impact client's production programs.	Develop robust competency framework and execution and culture of excellence starting with zero defect delivery which will enhance client experience. Strong focus on building SCALE through automation and engineering productivity improvement and First-time right deliverables. Adopt agile delivery models and build the right competencies for delivery. Proactive planning, prioritization and process automation for timely deliveries. Multi-level reviews (MLR) system for review of project delivery and control, delivery planning and execution of client programs through delivery excellence program.
Top Talent retention & attraction - Ability to attract and retain talent, especially having competence in new technology areas is key for the Company to maintain leadership. Higher attrition may impact delivery and focus on growth opportunities.	Focus on controlling the attrition of top talent. Focus on talent acquisition through referral hiring, retention and talent grooming with right competencies to improve quality. Leadership development, Individual development plans and career planning for employees. Training programs for continuous upgradation of skills and certifications across all the experience levels. Effective employee engagement and recognition framework at different level, people rotation with focus on top talent which helps in talent retention.

Risk & Impact	Mitigation Plan
Inability to grow in T25 clients – Inability to execute strategy will impact Company's growth	Build strong strategic relationship with OEMs and top clients. Focus on select top OEM & Tier1 clients to drive its growth strategy and improve Client experience. Prioritization of investments in select Clients. Build the strategy for disrupters. Client engagement transformation program to achieve desired positioning, build proactive propositions and excellence and provide best value to clients. Client engagement for understanding technology road map and goals of clients in order to cultivate relationship and serve better.
Profitability Management– The Company's profitability is significantly influenced by clients' spending patterns, competitive pricing pressure and increasing employee and other operational costs. Lower profitability may have impact on sustainability and future investments.	People's cost is significant cost the company. To manage people cost despite annual wage increase, the Company continues to monitor various matrix like Utilization, employee pyramid, subcontractor cost etc. to improve average salary cost to drive operational efficiency. Focus on improvement in Rate realization. Leverage global delivery model for effective use of talent across various centers and focus on increase in offshore and nearshore. Investment in hiring, training and competency development in order to increase productivity. Investment in tools & automation to further improve productivity & profitability.
Major Currency fluctuation – Significant currency fluctuations have an impact on the Company's financial results.	The Company has adopted a prudent forex hedging policy which is reviewed by management and approved by the board. Policy helps the Company to minimize the impact of currency fluctuations on its profitability. Policy is reviewed periodically and its implementation is reviewed by Chief Financial Officer (CFO). Continue to monitor currency movement in the market and its possible impact in the medium term.
Economic & Political risk – The Company as well as its Clients have a global footprint and are affected by economical & political events occurring across world. Possibility of slowdown in major geographies, banking sector crisis, prolonged war between Russia and Ukraine and related uncertain events may have impact on business environment, increased cost of business and client spend.	Focus on building global presence with local talent in delivery centers in all major locations where it operates. Regular review of changes in regulations, especially immigration laws is done as part of proactive planning. Periodic review for impact of such events on client's business to realign / plan investments based on new opportunities created due to changing business environment to have balanced growth across geographies.
Liability from client contracts – Client engagement is critical for client-oriented business like ours. Ineffective client relationships may impact our core operational areas and revenues or might result in additional costs to the Company. This may culminate in claims for damages by client which may adversely affect profit margins.	Monitor and measure risk on account of delayed project execution or defective deliveries or products, poor client satisfaction scores, long disputed outstanding or issues and any other relevant aspect for determining the possibility of claim. Risk mitigation by scrupulous review of client contracts, define clear scope, deliverables & client dependencies in contract, taking appropriate risk covers, establishing service delivery excellence by strengthening program management capability & global delivery management framework. Spread awareness related to data security and privacy laws and implement related controls.

Risk & Impact	Mitigation Plan
IT infrastructure availability & cyber security risk - IT infrastructure availability and security is key for our business. It is crucial to provide secure infrastructure to enable work from home for all the employees. Inability to provide the same may impact the Company operations.	The Business Continuity Plan is continuously monitored and the focus is on further strengthening of Business Continuity Process to ensure business continuity. Additional investments and surveillance for increased threats, increase awareness of data security, review of data protection policies and have systems and processes for responding to disruptive incidents. Conduct trainings and awareness programs on Information Security covering all employees and partners. IT security audits by reputed third party agencies. Implementation of additional systems, processes and measures based on external review
Intellectual property infringement risk – Possible risk of third-party Intellectual Property infringement by the employees of the company (intentional or unintentional) while working on projects which may result in litigations, huge penalties and impact on reputation. Possible risk of infringement of KPIT Intellectual Property by third party which may have impact on ownership rights and revenues	Obtain Confidentiality undertaking from employees and conduct training and awareness sessions. Create and implement IP infringement policy / framework based on external review. Establish IP management framework, processes and procedures that address the risk of infringement of third-party IP and ensure safeguarding of own IP assets. Strengthen and formalize tracking mechanism by establishing IP management framework to address risk of third-party IP infringement. Establish IP Governance process to ensure right access and right use of KPIT IP, customer IP, partner IP, and third-party IP in service.
Data Privacy risk – Personal data needs to be kept secure as vulnerabilities in the flow of data may lead to the risk of breaching personally identifiable information (PII). Violation of data privacy or security breaches can result in liabilities or penalties and reputational impact.	Create and implement framework/governance improvements and develop privacy program based on external review. Create Data privacy framework documents, including privacy organization structure, policies, and procedures. Perform Data Protection Impact Assessment on critical applications processing PII. Review and update privacy policies and privacy-related clauses and data transfer agreements. Evaluate contracts with third-parties for compliance with applicable regulatory requirements.

R&D ACTIVITIES

R&D Activities, the Chief Technology Office (CTO) functions to enable innovation, technology, research, and development at KPIT. The Chief Technology Office drives the R&D activities at KPIT. Following are some of the research projects under development:

KPIT Integrated Test Environment (KITE) platform

- Integrated test environment platform for DevOps
- The platform was extended for various AUTOSAR protocols such as PCAN, ETHERNET
- Enhanced portal plugin with automated element detection
- New plugin development for Virtual HMI testing

Hydrogen Fuel Cell

Technology

- Design and development of Fuel Cell Engine concept
- Fuel Cell Engine is a modular and integrated assembly of Fuel Cell Stack and Balance of Plant components packaged in a single enclosure.
- Additionally, the Fuel Cell Engine has all the sensors, subsystems, power electronics, switchgear and controllers integrated as well. This facilitates ease of integration in the intended application.
- Continuous ongoing Research and Development efforts in improving Fuel Cell performance, reliability and reducing costs.
- Performance and durability test equipment is set up in the Laboratory.

Projects

- Fuel Cell Engine will be first deployed in a Hybrid power system for Indian Defense.
- Design of a complete Fuel Cell Electric Powertrain is underway for a Marine application.
- It will be the first indigenously developed Fuel Cell powered Marine vessel in India.

Hydrogen Generation from Biomass

Microbial Process for Hydrogen Generation

- Working in collaboration with Agharkar Research Institute (Autonomous institute under DST), KPIT has developed a unique process that uses a novel microbial consortium to produce Hydrogen directly from biomass and methane thereafter – which can also be converted into Hydrogen.
- The process is suitable for cellulosic biomass such as rice straw, wheat straw, Napier grass, Energycane, etc.
- Along with the Hydrogen the process also generates other valuable, recyclable products such as liquid fertilizer, organic manure and CO_2. Hence environment-friendly technology.
- Technology is proven at lab-scale. Currently work on scale-up plant is under progress.

Hydrogen Generation by Gasification of Biomass

- Suitable for woody biomass/any combustible matter such as soya stalk, cotton stalk, bamboo, forest wood, bagasse, Municipal Solid Waste, etc.
- The biomass is gasified, and the gas is processed further to generate Hydrogen.
- Along with the Hydrogen the process also generates bio-char as a byproduct.
- Working together with a partner, the technology is proven at a pilot plant scale with Hydrogen generation capacity of 125 kg/day.

Sodium-ion Battery

Technology

- Design and development of Sodium-ion Battery for automotive as well as stationary applications.
- Development of Sodium-based (earth abundant) cathode materials for high-capacity Sodium ion battery.
- Design and development of high-capacity pouch and prismatic cells that can be charged faster than Lithium-ion cells and can give longer life module for testing.
- Continuous ongoing Research and Development efforts in improving battery performance, cost and durability.

Projects

- Design and development of module/pack for demonstration and field trails in 3wheeler are under way.

Details of patents:

Total number of patents filed till date: 45

Number of patents in FY 2022-23: 1 (complete specification)

Number of patents granted in FY 2022-23: 6

Domain-wise breakup of patents filed till date:

- Number of patents related to ADAS (Advanced driver assistance system) technology – 18
- Number of patents related to Sentient projects- 9
- Number of patents related to Battery Management Systems -3
- Number of patents related to Autonomous Vehicle technology - 3
- Number of patents related to Other technologies, like Chassis, Autosar, Cyber security, Diagnostics, etc.- 12

Patent Description (Filed):

Patent title	Application Type	Description
A modular system and method for generating hydrogen from biomass	Complete application	The present invention discloses a modular system and method for generating high purity hydrogen from biomass. Method comprises step of gasifying biomass into syngas by a gasifier, followed by step of treating the syngas to remove H2S, HCl, HCN, Ammonia, and Oxygen present in the syngas., by an acid-alkali scrubber and a de-oxygenator. The method further comprises step of mixing, the gas stream with steam in a static mixer, followed by step of enabling, by HTS and LTS reactors, a reaction between CO and the steam present in the gas-steam mixture to produce a gas stream of CO_2 and Hydrogen. Method further comprises step of passing the gas stream to separate CO_2 and provide CO_2 free gas stream through a CO_2 remover, followed by step of passing, through a PSA, and/or a VPSA, the CO_2-free gas stream to provide the H2 gas.

Patent Description (Granted):

Patent No.	Country of Grant	Patent Title	Description
US 11386154	U.S.	A method for generating a graph model for monitoring machinery health	Systems and methods are described to create a comprehensive model from multiple input data sources in distributed manner for performing diagnostics and/or prognostics of a complex system/platform having its modules/parts implemented independent of each other. The proposed system for creating a comprehensive connected model of a complex platform includes a input data receive module configured to receive data/content/information from one or more input data sources associated with different modules of the complex platform in a distributed manner, a dependency determination module configured to analyze a plurality of entities/variables retrieved from the data and determine dependency relationships between the plurality of entities by creating an edge list, and a connected model creation module configured to create a comprehensive connected model (connected graph) from the edge list.

Patent No.	Country of Grant	Patent Title	Description
JP 7064303	Japan	Autonomous system validation	Aspects of the present disclosure relate to a system and method of validation of automation feature of automobile. The method of validation of an automation feature includes the steps of: assessing the automation feature to be validated; grouping functions of the automation feature into a plurality of functional areas; generating at least one scenario under which the automation feature need to be validated; decomposing the at least one scenario into a plurality of test benches, wherein each of the plurality of test benches are based on at least one functional area of the plurality of functional areas; and quantitatively validating functionality of the automation feature in at least one functional area of the plurality of functional areas.
US 16252666	U.S	System and method for detecting a vehicle in nighttime	The present invention discloses a system implemented in a host vehicle comprising a processing unit to receive radar data, pertaining to a target vehicle, detected by a radar sensor; map the received radar data in an image received from an image sensor to obtain a radar map point in said image. The radar map point is obtained by compensating an offset error pertaining to height of the target vehicle; detect position of the target vehicle, in the image received from the imaging sensor, by processing the received image; determine an association between the radar map point and detected position of the target vehicle in the image by detecting a search region in the image; and confirm the obtained radar map point as the position of the target vehicle in the image based on computation of a threshold value.
IN 396297	India	Torque assist for motor	A method to provide a selective torque assist to the primary motor in an electric/ hybrid vehicle is disclosed. The method comprises embedding torque assist motors on the two output shafts of the primary motor differential. The torque assist motors can be turned ON to provide a short-term torque boost to the primary motor differential particularly at zero or very low speed. The torque assist motors may have multiple windings to provide different torque boosts.
JP 2018-175887	Japan	System and method for traffic sign recognition	A traffic sign recognition system implemented in a vehicle receives one or more image frames from an image sensor and defines a Region of Interest (ROI) for each image frame. Each ROI is resized to a first-resolution image and a second-resolution image.

Patent No.	Country of Grant	Patent Title	Description
			A circular object is detected in the ROI of each image frame based on determination of points of symmetry by analyzing gradient values of respective pixels of a horizontal edge image and a vertical edge image, the horizontal edge image and the vertical edge image being obtained from each of the first resolution image and the second resolution image; and detects at least one speed limit traffic sign based on the detected circular object using one or more classifiers using a Convolutional Neural Network (CNN).
IN 422731	India	System and method for target track management of an autonomous vehicle	The invention describes a system and method for track management of an autonomous vehicle. Currently track management of high velocity objects/cars/targets is difficult and inaccurate. Conventional track initialization mechanisms are primarily based on velocity and acceleration models of the target vehicles and involve false track initialization and computation complexities for track association. Data streams sensed by various sensors are out of sequence, which leads to inaccuracy, while interpolating data lacks robustness in complex scenarios of track management. There is a need for a system that can improve track management of high velocity maneuvering objects/ targets while confiscating the probability of external clutter and false positive. Furthermore, there is a need for validation gate evaluation and integration of out of sequence data streams sensed by RADAR and camera sensors. Our solution provides this improved track management system.

Patent Description (Filed):

Patent title	Conference	Domain
Integrated Data Models for Vehicle Diagnostics Development	HANSERautomotive	Diagnostics
Virtually Faster	dSPACE Magazine	Virtualization

KPIT Sparkle:

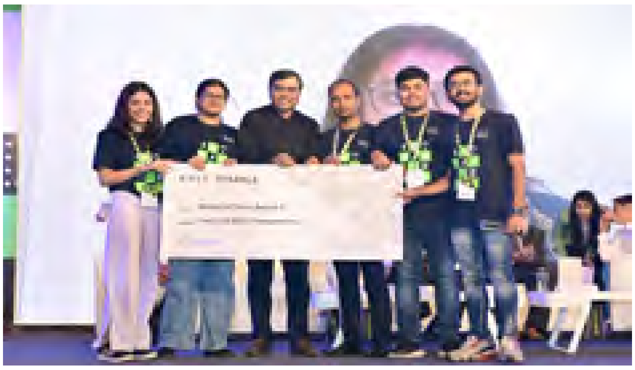
KPIT Sparkle 9th edition 2023:

About KPIT Sparkle: KPIT Sparke is an Initiative by KPIT Technologies. KPIT Sparkle provides a platform for engineering students across India to showcase their innovation at the national level. Every edition of the program is spread over a period of 9 months and divided into various stages. During this period the students are provided guidance, mentorship, and training to upskill and elevate the ideas submitted by them. The training and guidance are provided by various mentors through KPIT Sparkle.

This year KPIT Sparkle saw participation from over 646 colleges covering 27 and 6 Union territories. We received over 12000 entries out of which 1000 ideas were submitted, and the top 24 teams qualified for the Grand Finale 2023. The finalists were judged by a panel of experts from the industry, including senior executives from KPIT Technologies and other leading companies in the field of automotive and energy.

The grand finale event was organized at the KPIT office in phase 3 campus. During the event, the students were provided individual exhibit areas to display their prototypes/projects and pitch their innovations to Jury. The event was a grand success, with the finalists showcasing some truly innovative and cutting-edge solutions. Dr. Anil Sahasrabudhe, Chairman of the EC National Assessment and Accreditation Council and National Educational Technology Forum, was the chief guest at the grand finale event. Here, are the winning teams and projects:



AWARD	PROJECT TITLE	TEAM NAME	COLLEGE
GOLD 5 LACS	Recycling of valuable metals from spent lithium-ion batteries (lithium, cobalt, nickel, manganese) and reusing them for battery making	Team Rejuvenators	IIT Kharagpur
SILVER 1 2.5 LACS	W2W Energy, Fuel and Mobility Generation from Innovative Biogas Plant.	Team Waste2Wealth	Government College of Engineering, Jalgaon
SILVER 2 2.5 LACS	Novel solar electric thruster propulsion system for Nano to Micro Satellite for Indian Space Technology	Team Propellers	Kalinga Institute of Industrial Technology, Bhubaneshwar
ABHINAVI 2 LACS	ScavengeX	Team ScavengeX	Anna University, Chennai
MOST POPULAR 1 LAC	Design and development of efficient indigenous hydrogen (HHO) generation system by dry cell electrolysis method	Team Energizers	Kongu Engineering College, Perundurai

Incubation details

Startup Name	Team Members	Description	Outcome
VR-based training solution	Triyaksh Mathur	To provide a simulated environment for training drivers in road safety.	Yes - Sparkup
Smart Contactless Autonomous Charger for EV Battery Charging	Sumedh R. Burse, Chinmay Rajendra Goswami	Developing cost-effective wireless chargers for electric vehicles.	Standby -Tech Due Diligence (Details requested from the startup)
Net Zero Hybrid AC-DC microgrid	G R K D Satya, Vikram Anand Badda	Cloud-based virtual power plant	Yes - Sparkup
Multipurpose EV for Physically Challenged	Sanyam Nilesh Surana, Ankit Sahal	An EV serves various purposes for physically challenged users.	Ongoing Startup

Startup Name	Team Members	Description	Outcome
Intelligent Shutter Projector Headlights	Tanushree Vivek Chore, Tanay Munna Nakhale	Intelligent Shutter Projector Headlights	Yes - Sparkup
Development of Aluminum polymer battery	P Kaveya, A Chandrasekaran	Development of Aluminum polymer battery.	Yes - Sparkup
Activated Carbon Battery	D Kavyadharshini, Dr. K Senthil Kumar	Developing a battery that uses activated carbon as electrodes.	Yes - Sparkup
NON-INVASIVE GLUCOSE LEVEL MONITORING SYSTEM	Kalaiselvan K, Mano Sundar	Using acetone, temperature, and humidity sensors instead of strips and needles for measuring the glucose level of the patient.	Yes - Sparkup

In conclusion, the KPIT Grand Finale was a truly inspiring event that showcased the immense talent and creativity of India's engineering students. The event was a testament to KPIT Technologies' commitment to fostering innovation and technology in the automotive and transportation industry. We look forward to seeing more such initiatives from the company in the future.

The jury members included:

- Dr. Sanjeev Srivastava, Chief Operating Officer (I-STEM) at IISC Bengaluru
- Dr. Siddhartha Mukhopadhyay, Professor and Head, Department of Electrical Engineering and School of Energy Science & Engineering at IIT Kharagpur
- Mr. Pradeep Chandrashekhar, Associate Director/ Deputy Chief Engineer at OLA Electric Car
- Mr. A.S. Ravikumar, General Manager – Product Engineering at Daimler India Commercial Vehicle
- Mr. Balkrishna Mahajan, Founder Director, and Principal Designer at Ticket Design
- Dr. Somnath Sengupta, Asst Prof at IIT Kharagpur
- Dr. Milind Rane, Professor, and Head Heat Pump Lab at IIT Bombay
- Dr. Pallavi Bharadwaj, Assistant Professor, IIT Gandhinagar
- Dr. Nisha Singhania, Manager at Atotech
- Dr. Daniel Goldsmith, Lecturer in Ethical Hacking and Network Security at Coventry University
- Ms. Rashmi Rao, Industry Manager - Automotive at MathWorks
- Mr. Shobhit Shrotriya, MD R&D life sciences at Accenture
- Mr. Pritesh Doshi, Head of Mechatronics and Electrification at DANA
- Mr. Vijay Kadam, Head of Commercial Vehicle Business Unit at DANA

KPIT Shodh Awards:

KPIT Shodh Awards is an annual international award program launched by KPIT Technologies to recognize and honor individual PhD. researchers in Mobility & Energy. The award is intended to promote research and development in the fields of mobility and energy.

KPIT Shodh awards 2023: This year we received over 100 entries in different categories of energy Storage, Fuel Cells, Autonomous Driving Applications, Green Energy Generation, Artificial Intelligence and Learning. The entries were evaluated by a panel of experts from Industry and academia. The participants were asked to make a presentation on their research in an online meeting. The presentations were organized over a period of one week. After careful consideration, the following winners were selected:

Award	Winners' name	College	Project Name
Mobility Challenge- Best Thesis 1.5L	Dr. Dhrupad Biswas	IIT Kharagpur	Hierarchical Supervisory Control for Energy Management of Hybrid Electric Vehicles
Energy Storage - Best Thesis 1L winner & 30k for Guide	Dr. Sashwat Singh	Indian Institute of Science	Structural and Electrochemical Investigation of Bisulfate and Hydroxysulfate-based Polyanionic Cathodes
Green Energy Generation - Best thesis 1L winner & 30k for Guide	Dr. Risov Das	Jawaharlal Nehru Centre For Advanced Scientific Research	Design and Development of Metal Oxides and Chalcogenides for Solar Fuel Synthesis from Carbon Dioxide
Autonomous Driving- Best Thesis 1L winner & 30k for Guide	Dr. Jaswandi Sawant	College of engineering Pune, Savitribai Phule Pune University	Robust Control Strategies for Autonomous Vehicles in Uncertain Environments
AI/ML 1L winner & 30k for Guide	Dr. Sandeep Sakhahari Bidwai	Visvesvaraya Technological University, Belagavi	Application of Markov Chains and convolutional neural networks for cognitive radio
Best Poster Award 1 25K	Dr. Aakash Ahuja	IIT Bombay	A Resilient Cathode Architecture: NMC coated Single crystalline LMO for eco-friendly Lithium Ion Battery
Best Poster Award 2 15K	Dr. Saurabh Gupta	IIT Kanpur	Financial Decision Framework for infrastructures based on proposed disaster damage rating models using ML approach
Best Poster Award 3 10K	Dr. Chelliah Arumugam	Vellore Institute of Technology	Experimental And Theoretical Investigation of Various Building Materials for Reducing Air Conditioning Load

ADDITIONAL SHAREHOLDERS INFORMATION

1	**Registered and Corporate Office**	Plot No. 17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase- III, Maan, Taluka-Mulshi, Hinjawadi, Pune- 411057. Tel No. +91-20-6770 6000 Website: www.kpit.com.
2	**Date of Incorporation**	January 08, 2018
3	**Registration No./CIN**	L74999PN2018PLC174192
4	**Date, Time and Venue of 6th AGM**	August 29, 2023, 3.00 p.m. through Video Conferencing/ Other Audio-Visual Means. The Notice of the Annual General Meeting is being sent to the Members along with this Annual Report.
5	**Record Date**	Monday, August 14, 2023
6	**Dividend Payment Date**	After August 29, 2023, but within the statutory time limit of 30 days subject to shareholders approval.
7	**Financial Year**	April 01, 2022 - March 31, 2023.
8	**Financial Calendar for 2023-2024 (tentative and subject to change)**	
	Financial reporting for the first quarter ending June 30, 2023	July 2023
	Financial reporting for the second quarter ending September 30, 2023	October 2023
	Financial reporting for the third quarter ending December 31, 2023	January/February 2024
	Financial reporting for the last quarter and year ending March 31, 2024	April 2024
	Annual General Meeting for the year ending March 31, 2024	July/August 2024
9	**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 : KPITTECH**
	BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 **BSE Code: 542651**
	ISIN Number of the Company	INE04I401011

The Company has paid the Annual Listing Fee for the Financial Year 2023-24 to both the Stock Exchanges on which the shares of the Company are listed.

10. Shareholders are requested to send all share transfers and correspondence relating to shares, dividend etc. to our Registrar & Share Transfer Agent ("RTA") at:

KFin Technologies Limited, Contact Person: Ms. Rajitha Cholleti, Selenium Tower B, Plot no. 31 & 32, Gachibowli, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad – 500032. Phone: +91 40-6716 2222, E-mail: einward.ris@kfintech.com; Website: www.kfintech.com. You can also contact Ms. Nida Deshpande, Company Secretary and Compliance Officer, No.: +91 20-6770 6000 Extn. – 6967, E-mail: Nida.Deshpande@kpit.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@kpit.com.

11. Share transfer system:

The share transfer activities are carried out by our RTA, the details of which are given above. The documents were received at their office in Hyderabad. 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.

12. Dematerialization of shares and liquidity:

As on March 31, 2023, 99.97% of the total issued share capital was held in electronic form with National Securities Depository Limited and Central Depository Services (India) Limited.

13. 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.

14. Shares allotted during the financial year ended March 31, 2023:

KPIT Technologies Employees Welfare Trust ("the Trust") is a trust formed for employee welfare activities, which includes, administration of Company's Employee Stock Option Plan ("ESOP") Schemes. As part of its operations, the Trust is allotted shares by the Company or it acquires shares from open market and the Trust, in turn, sells such shares for administration of the ESOP schemes. The holding of shares and the sale of shares by the Trust, is done on behalf of the employees. As per provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the total number of shares under secondary acquisition held by the Trust shall at no time exceed five percent of the paid-up equity capital. To comply with these provisions, shares are allotted during the year under ESOP schemes by way of transfer of shares from trust to employee and no fresh allotments were made by the Company during the year

15. Shareholding Pattern as on March 31, 2023:

Category	No. of shares held	% of total share capital
Promoters & Promoters Companies	**10,82,51,521**	**39.49**
Public	**16,20,94,869**	**59.12**
Mutual Funds	2,04,02,154	7.44
Foreign Portfolio Investors	6,42,13,284	23.42
Bodies Corporate	74,21,463	2.71
Non-Resident Indian	39,15,432	1.43
Others	6,61,42,536	24.13
Non-Promoter – Non-Public	**37,97,418**	**1.39**
TOTAL	**27,41,43,808**	**100%**

16. As on March 31, 2023, 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	Proficient Finstock LLP	8,88,61,500	32.41	Promoter
2	Mr. Kishor Patil	1,33,45,605	4.87	Promoter
3	Massachusetts Institute of Technology	85,22,617	3.11	Foreign Portfolio Investors (Corporate)
4	ICICI Prudential Life Insurance Company Limited	58,15,998	2.12	Qualified Institutional Buyer
5	Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund	47,56,932	1.74	Mutual Fund
6	BNP Paribas funds Green tigers	45,43,049	1.66	Foreign Portfolio Investors (Corporate)
7	Marathon Edge India Fund I	40,46,784	1.48	Alternate Investment Fund
8	KPIT Technologies Employees Welfare Trust	37,97,418	1.39	Non-Promoter-Non-Public
9	Ajay Shridhar Bhagwat	24,55,800	0.90	Promoter
10	Stichting Depository APG Emerging Markets Equity P	24,41,110	0.89	Foreign Portfolio Investors (Corporate)
	Total	**13,85,86,813**	**50.55**	

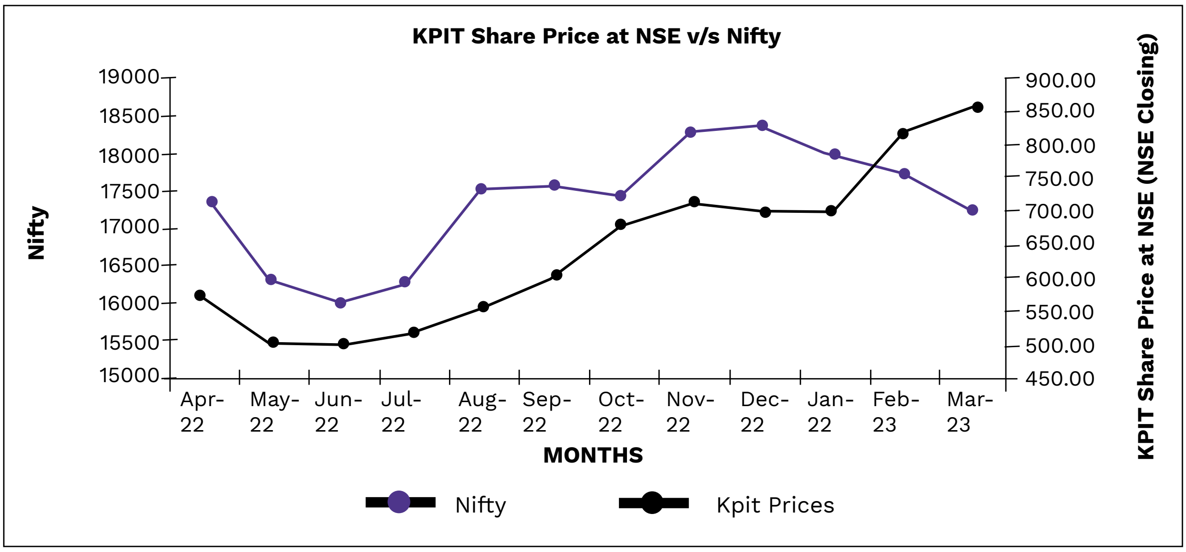
17. Distribution Schedule as on March 31, 2023:

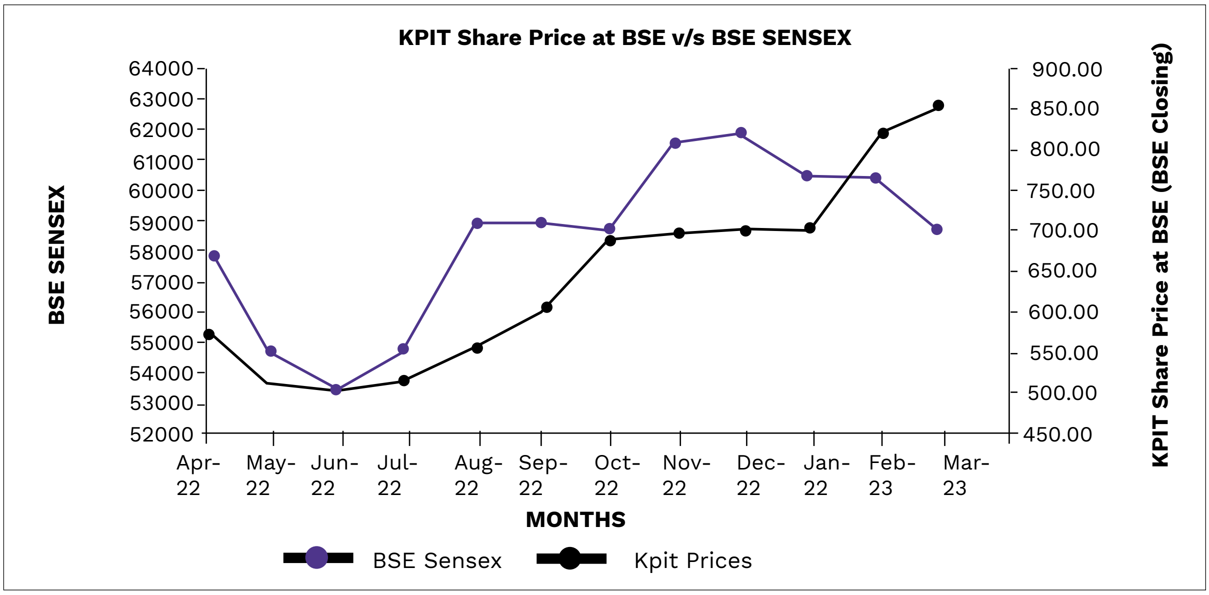
Quantity of Shares	Shareholders		Face Value of shares held (₹)	%
From – To	Number	%		
1 - 5,000	4,73,700	97.23	21,90,44,600	7.99
5001 – 10,000	7,162	1.47	5,48,81,210	2.00
10,001 - 20,000	3,290	0.68	5,02,20,830	1.83
20,001 – 30,000	919	0.19	2,32,37,560	0.85
30,001 – 40,000	494	0.10	1,79,43,090	0.65
40,001 – 50,000	304	0.06	1,41,02,210	0.51
50,001 – 1,00,000	556	0.11	4,01,65,090	1.47
1,00,001 & above	786	0.16	2,32,18,43,490	84.69
TOTAL	**4,87,211**	**100**	**2,741,438,080**	**100.00**

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

2022-23	NSE				BSE				Total Volume
	High	Low	Average	Volume	High	Low	Average	Volume	NSE + BSE
April '22	635.00	505.30	574.68	3,92,63,897	635.35	502.50	574.52	33,64,773	4,26,28,670
May '22	554.85	440.40	505.80	2,31,44,619	559.95	440.00	506.08	27,15,742	2,58,60,361
June '22	573.30	451.55	504.30	2,35,37,862	573.00	452.00	504.36	25,15,735	2,60,53,597
July '22	561.40	480.00	511.96	2,61,95,291	561.20	480.00	511.93	25,64,648	2,87,59,939
Aug '22	592.40	516.20	552.90	3,11,26,337	592.00	516.10	552.84	23,20,620	3,34,46,957
Sept '22	683.70	545.50	601.23	6,69,06,170	683.45	545.70	601.17	53,14,628	7,22,20,798
Oct '22	764.20	615.30	680.54	5,60,79,226	764.25	615.40	680.42	51,81,237	6,12,60,463
Nov '22	735.00	658.00	697.59	2,68,31,702	735.00	658.00	697.49	18,91,061	2,87,22,763
Dec '22	733.15	622.55	700.08	2,93,49,478	750.00	623.00	700.53	21,08,183	3,14,57,661
Jan '23	772.35	675.65	702.33	2,76,96,072	772.00	676.15	702.24	21,57,340	2,98,53,412
Feb '23	876.15	734.35	816.28	4,44,49,500	876.00	734.75	815.88	25,06,079	4,69,55,579
March '23	946.65	768.00	854.72	4,61,75,389	946.50	768.50	854.56	25,82,884	4,87,58,273

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





20. Updation of PAN, email address, mobile number, bank account details and nomination by holders of physical securities:

The shareholders holding securities in physical mode are requested to note that, SEBI has, vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021, and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 mandated the furnishing of PAN, Nomination, Contact details (postal address with PIN, mobile number e-mail ID), Bank A/c details (Bank and Branch name, bank account number, IFS code) and Specimen signature for their corresponding folio numbers. Pursuant to SEBI Circular No SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, folios wherein any one of the cited document / details are not available on or after October 01, 2023, shall be frozen by the RTA and the shareholder holding securities physically will be eligible to lodge grievance or avail service request from the RTA only after furnishing complete documents/details as mentioned above and for any payment including dividend, interest or redemption payment in respect of such frozen folios, only through electronic mode with effect from April 01, 2024. For any further information, you can reach out to RTA on the following details: Email: einward.ris@kfintech.com and Toll-free number 1800 3094 001.

21. Details of dividend in the Unpaid / Unclaimed Dividend Accounts as on March 31, 2023:

(₹ in million)

Year	Balance	Date of completion of 7 years*
For the financial year 2018-2019 (Final)	0.38	October 01, 2026
For the financial year 2019-2020 (1st Interim)	0.25	March 03, 2027
For the financial year 2019-2020 (2nd Interim)	0.41	April 08, 2027
For the financial year 2020-2021 (Final)	0.65	September 28, 2028
For the financial year 2021-2022 (Interim)	0.60	March 08, 2029
For the financial year 2021-2022 (Final)	0.85	September 28, 2029
For the financial year 2022-2023 (Interim)	0.00#	March 06, 2030

As on March 31, 2023, the balance was ₹ 2068.30 which comes as 0.00 post conversion into million.

* As per Section 124 of the Companies Act, 2013, 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 IEPF. In view of this provision, the shareholders are kindly requested to get their pending dividend warrants, if any, pertaining to the above financial years, encashed at the earliest. Shareholders can send the unpaid dividend warrants to the RTA of the Company for the purpose of revalidation/reissue.

National Company Law Tribunal ("NCLT"), Mumbai Bench vide its Order dated November 29, 2018, approved the Composite Scheme of Arrangement amongst KPIT Technologies Limited, ("Transferee Company" or the "Demerged Company") (renamed as Birlasoft Limited) and Birlasoft (India) Limited, ("Transferor Company") and KPIT Engineering Limited, ("Resulting Company") (renamed as KPIT Technologies Limited). Pursuant to the Clause 20 of the said Composite Scheme, on January 29, 2019, the Resulting Company has allotted shares in the ratio of 1:1 to the existing shareholders of Transferee Company (record date was January 25, 2019). On the said record date, Investor Education and Protection Fund ("IEPF Authority") was holding 175,113 shares of Transferee Company, as a result of which shares of Resulting Company were allotted to the IEPF Authority in ratio 1:1. Aforementioned 175,113 shares were transferred to IEPF Authority by Transferee Company prior to the NCLT order, being unpaid, unclaimed shares liable to transfer to IEPF Authority on completion of seven years as per the provisions of section 124 of the Companies Act, 2013. The KPIT Technologies Limited has declared & paid a final dividend and an interim dividend during the financial year 2022-23. The Dividend on Shares transferred to IEPF are credited with IEPF Authority. Members can claim back such dividend and shares including all benefits accruing on such shares from IEPF Authority after following the procedure prescribed in the Rules. Details of name and years of transfer are available on Transferee Company's website.

22. Details of correspondence received from the Shareholders / Investors during the period from April 01, 2022, to March 31, 2023:

A. Requests:

Sr. No.	Nature of request	Opening balance as on April 01, 2022	No. of requests received	No. of requests resolved	Closing balance as on March 31, 2023
1	Clarification regarding shares	Nil	8	8	Nil
2	Correspondence/ Query relating to NSDL operations	Nil	1	1	Nil
3	Non-receipt of Annual Report	Nil	13	13	Nil
4	Non-receipt of securities	Nil	1	1	Nil
5	Non-receipt of Dividend Warrants	NIL	120	118	2
6	Non-receipt of securities after transfer	Nil	Nil	Nil	Nil
	Total	**Nil**	**143**	**141**	**2**

B. Complaints:

Sr. No.	Nature of request	Opening balance as on April 01, 2022	No. of requests received	No. of requests resolved	Closing balance as on March 31, 2023
1	SEBI	Nil	Nil	Nil	Nil
2	BSE/NSE	Nil	Nil	Nil	Nil
3	NSDL/CDSL	Nil	Nil	Nil	Nil
4	Non-receipt of Annual Report	Nil	Nil	Nil	Nil
5	Non-receipt of Share Certificate	Nil	Nil	Nil	Nil
6	Non-receipt of Dividend	Nil	Nil	Nil	Nil
	Total	**Nil**	**Nil**	**Nil**	**Nil**

23. Unclaimed Shares:

There are no unclaimed shares lying in the demat suspense account/ unclaimed suspense account of the Company at the beginning of the year i.e., April 01, 2022, and at the end of the year i.e., March 31, 2023, as per Schedule 5 (F) of SEBI LODR Regulations, 2015.

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, 2022.	Nil	Nil
(ii)	Number of shareholders from (i) above, who approached the Company for transfer of shares during the year from April 1, 2022, to March 31, 2023.	Nil	Nil
(iii)	Number of shareholders from (ii) above, to whom shares were transferred (partially) during the year from April 1, 2022, to March 31, 2023.	Nil	Nil
(iv)	Aggregate number of shareholders and the shares from (i) above, which were transferred to IEPF during the year from April 1, 2022, to March 31, 2023.	Nil	Nil
(v)	Balance aggregate number of shareholders and the outstanding shares from (i) above, at the end of the year i.e., March 31, 2023 (Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares)	Nil	Nil
(vi)	Number of shares transferred to IEPF authority during the year from April 1, 2022, to March 31, 2023. (Including shares & shareholders in (iv) above).	Nil	Nil

24. Publication of results and presentation made to institutional investors & analysts:

The Company has been regularly publishing its quarterly and yearly results in newspapers, as detailed below, according to the requirement of the SEBI LODR Regulations, 2015:

Date of Publication	Particulars	Newspaper
April 28, 2022	Audited consolidated financial results for the quarter and year ended March 31, 2022.	The Financial Express & Loksatta
July 27, 2022	Unaudited consolidated financial results for the quarter ended June 30, 2022.	The Financial Express & Loksatta
October 20, 2022	Unaudited consolidated financial results for the quarter and half year ended September 30, 2022.	The Financial Express & Loksatta
February 02, 2023	Unaudited consolidated financial results for the quarter and nine months ended December 31, 2022.	The Financial Express & Loksatta

The results and presentations made to institutional investors & analysts have also been regularly uploaded in Investor section of our website, www.kpit.com.

25. Green Initiative in Corporate Governance

KPIT is a firm believer of and has always fostering green and inclusive growth by implementing energy conservation and taking major initiatives for green growth. As a part of CSR activities KPIT has taken various initiatives to create awareness among the society and its shareholders conveying importance of Go Green. The responsibility of protecting the earth lies in the hand of each individual and businesses. Indian government has been seriously emphasizing environmental preservation and as a part of it, Ministry of Corporate Affairs vide Section 20 of the Companies Act, 2013 and Rule 35 of the Companies (Incorporation) Rules, 2014 allow Companies to serve documents through electronic mode thus to encouraging the green initiatives. In order to facilitate electronic communication with shareholders, the Company has conducted email updation drive with National Securities Depository Limited and sent SMS to registered mobile number of shareholders and also a separate letter has been attached to this report requesting all the shareholders whose email addresses are not registered with their depository participants or our Registrar and Share Transfer Agent, KFin Technologies Limited or with the Company to update their email addresses.

26. Board members' profiles:

The Board of Directors of the Company consists of executive and non-executive members. The present Board consists of following members:

Co-Founder & Chairman

Mr. S. B. (Ravi) Pandit is the Co-founder and Chairman of board of KPIT Technologies Limited. Since its inception, his ambitious vision has steered KPIT towards achieving a global leadership position as an engineering technology partner to the automotive industry to make it safer, smarter and cleaner through green energy generation, storage and usage technologies. He has been instrumental in shaping KPIT's vertical focus strategy and building a unique partnership model based on the tenets of innovation and sustainable development. Having run a Chartered Accountancy firm for close to a decade after finishing his masters studies, Mr. Pandit decided to venture into Information Technology consulting and services, thus setting up KPIT, with his co-founders, in 1990 and over the last 20+ years, KPIT, under the leadership of Mr. Pandit, has combined its deep industry & technology expertise, presence in relevant geographies and highly scalable delivery infrastructure to enable clients expand their product development footprint, enhance operational efficiencies and optimize processes. Mr. Pandit has been a Director on our Board since incorporation. He shouldered the responsibility as a Chairman & Executive Director (Whole-time) till March 28, 2020, and thereafter, he has been a Chairman (Non-Executive Director) of the board.

Mr. Pandit has been awarded the prestigious Rotary Excellence Award for exemplary leadership and outstanding performance. He has also been honored with the Maharashtra Corporate Excellence (MAXELL) Awards for Excellence in Entrepreneurship and for his contribution to the economic and industrial development of Pune City; he has also been conferred with the prestigious Samata Award. In recognition of his tremendous contribution to global technology and mobility sectors as well as his significant contribution in promoting UK-India business and academic relationships, recently, he has been awarded with honorary doctorate by Coventry University, UK.

Mr. Pandit has deep interest in social issues and is a founder trustee of Janwani, an NGO which is focused on improvements in urban India, and he is a founder trustee of the Pune International Centre, a National level think tank working on policy issues. His recent co-authored book called 'From Leap Frogging to Pole Vaulting', recipient of the 'Business book of the year 2019 award', shares his vision, thoughts and frameworks on solving global issues and convinces readers of radical transformation towards the coveted sustainable future.

Mr. Pandit was a member of the Core-Group on Automotive Research Program Committee (CAR), a Government of India initiative for automotive industry and was on the Technology Development Board formed by the Department of Science and Technology, Government of India. He has served as the President of the esteemed Mahratta Chamber of Commerce, Industries and Agriculture and has been on the NASSCOM Executive Council twice. He is a director of the Aga Khan Rural Support Program (India). He also serves on the Board of Thermax Limited.

Mr. Pandit is a gold medalist and fellow member of the Institute of Chartered Accountants of India, an associate member of the Institute of Cost Accountants of India, and holds masters from Sloan School of Management, MIT, Cambridge, USA. In 2014, the prestigious Tilak Maharashtra University decorated him with an honorary D.Litt.

Always a topper in college and universities, he is a voracious reader, an avid trekker and enjoys listening to classical music.

Co-Founder, CEO & Managing Director

Mr. Kishor Patil is the Co-founder, CEO and Managing Director of KPIT Technologies Limited – one of the largest Software Integration partners in the global automotive and Mobility industry. KPIT's vision is to Reimagine Mobility in partnership with the industry, clients, and partners for creating a cleaner, smarter, and safer world.

Mr. Patil co-founded KPIT in 1990. In 2018, the Company decided to undergo a comprehensive merger-demerger scheme to create a mobility-focused Company, KPIT Technologies Limited. In the span of 4 years, the Company has crossed a market capitalization of more than USD 3Bn through organic growth and global acquisitions.

Mr. Patil strategized and led the merger demerger process to reincarnate KPIT in its current avatar. Mr. Patil has since then redefined the Company strategy with a new Vision and Mission aimed at gaining global leadership in the areas of operation of the Company. His relentless focus on execution of the redefined strategy has led the Company to quadruple its revenues in the last 4 years with consistent improvement in operational margins, cash conversion and the efficiency of the overall operations of the Company. His acumen in identifying the right partners, either for acquisition or for joint go to market strategies has abetted acceleration of the strategy implementation and achievement of defined milestones as per the strategic objectives.

In 2014, Mr. Patil was honored with the CA Business Leader Award – Corporate award, by the Institute of Chartered Accountants of India (ICAI). The ICAI Awards felicitate chartered accountants who create value for their Company's stakeholders on a sustainable basis. For his excellence in entrepreneurship, he has also been honored with the Maharashtra Corporate Excellence (MAXELL) Awards 2014. In 2013, Mr. Patil was named among the top 16 entrepreneurs in India by Ernst and Young in its Entrepreneur of the Year award program. He was recognized among the Top 50 CEOs of 2013 by The Entrepreneur Magazine and was also awarded the 2013 Rotary Excellence Award. He is a prolific speaker and has presented at various national & international forums including the World Economic Forum, on topics such as entrepreneurship, innovation, building high performance organizations, and business transformation. He has won several national and international awards including the Wall Street Journal Technology Innovation Award, and Knowledge@Wharton Technovation Award. Recently, Mr. Kishor Patil has been awarded the 'Best CEO of the year' award by ET Ascent.

Mr. Patil is a fellow member of the Institute of Chartered Accountants of India, and a member of the Institute of Cost Accountants of India.

Whole-time Director

Mr. Sachin Tikekar is the Co-Founder, President & Joint Managing Director of KPIT. He has been with the Company since the beginning and has led and guided the Company in different areas of strategy, scaling client engagements, HR, among others.

Mr. Tikekar has served the Company in several capacities. He has been the Executive Sponsor for Europe. He was the Chief People & Operations Officer with responsibility for imbibing KPIT culture in the organization, accelerating learning opportunities for employees globally and fostering innovation in attracting, nurturing, and retaining talent. He was also the Chief Operating Officer for KPIT in the US. He set the foundation of KPIT's now deeply rooted presence and client partnerships in the Americas. Over the years, he has also spearheaded the successful integration of acquired entities within KPIT.

Mr. Tikekar has played a crucial role in formulating the new vision and Mission for KPIT, after the demerger. He has led the strategy and blueprint of KPIT's focused client and OEM-centric approach that has delivered KPIT's industry-leading growth over the last few years. This has also propelled the KPIT brand and positioning in all stakeholders – Clients, Talent and Investor's. In his current role, he is responsible for growing & nurturing global strategic relationships with clients and partners as an Executive sponsor for all the geographies. He is guiding the blueprint of operations & processes to scale KPIT to the next orbit and also driving the roadmap for KPIT to double down on its vision of becoming a world class Sustainable organization.

Before joining KPIT, Mr. Sachin Tikekar worked with US Sprint and Strategic Positioning Group. He attended Temple University for a master's in strategic management and International Finance. As an ardent food lover, he dubs himself as Anthony Bourdain 2.0! He is a member of the World Wildlife Federation and pursues his fascination for wildlife and nature through traveling.

Mr. Anup Sable is the Chief Technology Officer and Board Member of KPIT. In his current responsibilities, he manages the CTO function and steers the technology direction of the company and is currently also the board member for PathPartner Technology Private Limited, Subsidiary Company. He is also responsible for incubating the Middleware and Virtualization Practices which will be a major growth driver in future and will enhance our recognition as a trusted software and integration partner to the Automotive & Mobility industry. Anup has been with KPIT since 1994 and has led global teams at KPIT which include Electrification of Vehicles, Digital Cockpit, Autonomous Driving, AUTOSAR and Diagnostics. He was instrumental in starting the automotive business unit and developing the Cummins relationship for engineering services. A co-inventor of 4 patents in the areas of electric vehicle technology and automotive safety, he continues to remain involved in his passion for technologies hands on. Anup, Mechanical Engineer began his career at the Automotive Research Association of India (ARAI) as a research assistant in the Powertrain domain. In the past, he has held a position on the Board of Directors of GENIVI® Alliance, contributing towards driving open innovation and collaboration in the automotive industry. He was also a member of the NASSCOM® engineering council, where he supported the council's vision of making more and more companies in India achieve the 'Engineered in India' dream. Anup had received 'Best outgoing Mechanical Engineer' award in 1990 from College of Engineering Pune (COEP). He also represented State of Maharashtra and received Junior National Silver Medal award for rowing. He has additionally carried out board responsibilities for KPIT GmbH Germany.

Mr. Chinmay Pandit, Executive Vice President and a member of the Executive Board. He is the Head of Geography (Americas) as well as the Head of Commercial Vehicle vertical. As the Geography head, he is responsible for the overall strategy and growth plan of the company in the geography. This includes executive connect with key clients' leadership, business development, operations in the geography, people development and the branding and positioning of the organization as a key technology expert. Mr. Chinmay is also responsible for the profitability of the geography. In his additional role as the Vertical Head, he is responsible for driving growth as well as the company's investments for the Commercial Vehicles vertical. He is also responsible for all client engagements in the Commercial Vehicles Vertical across the globe. He has been with the Company for last 16 years.

Before heading Americas Geography, Mr. Chinmay Pandit led the Vehicle Engineering & Design practice/business line of the Company. The Vehicle Engineering & Design practice in KPIT offers newage mechanical engineering services of design and simulation enhanced by technologies such as artificial intelligence, automation, digital twins and augmented/ virtual reality. Vehicle Engineering & Design also bring in KPIT's cross-practice expertise of software and feature development to offer mechanical and software integrated systems for the autonomous driving, infotainment and electric & conventional powertrain domains to global clients across the passenger vehicle, commercial vehicle and new mobility segment. Balancing profitability with long-term sustainability continues has been his choice of focus, for this practice/business line. The vehicle engineering & Design practice line has held the position of consistently the most profitable business line under his leadership. He also led commercial business for the company which has grown consistently higher than passenger cars in last few years.

Previously, Mr. Chinmay Pandit has worked with KPMG and Infosys. He is a qualified Chartered Accountant from the Institute of Chartered Accountants of India. He has also done his MBA from world renowned J. L. Kellogg School of Business at the Northwestern University, USA and has been awarded 'Most Trustworthy Negotiator'. He possesses rich experience of 21 year.

Independent Directors

Prof. Alberto Sangiovanni Vincentelli is the Buttner Chair at the Department of Electrical Engineering & Computer Sciences, University of California, Berkeley. He is a Co-founder of Cadence and Synopsys, the two leading companies in the area of Electronic Design Automation. Prof. Alberto is a member of the Board of Directors of Cadence. He was a member of the HP Strategic Technology Advisory Board, of the ST Microelectronics Advisory Board and of the Science and Technology Advisory Board of General Motors as well as a member of the Technology Advisory Council of United Technologies Corporation. He served as the Chairperson of the Strategy Committee of the Italian Strategic Fund, and as the Chairperson of the National Committee of Research Trustees for the Italian Ministry of University, Education and Scientific Research. He is the Chairperson of four High Tech Startup in UK, Netherlands and Italy. He consulted several companies such as Intel, IBM, ATT, General Electric, BMW, Mercedes, Magneti Marelli, GM, Fujitsu, Kawasaki Steel, Pirelli and Telecom Italia. Recently, Prof Alberto has received the Frontiers of Knowledge Award.

Mr. Anant Talaulicar holds a bachelor's degree in mechanical engineering from Mysore University, a master's degree from the University of Michigan in Ann Arbor and an MBA degree from Tulane University, USA. He was the Chairman and Managing Director of the Cummins Group in India from March 2004 through October 2017, was a member of the Cummins Inc. global leadership team from August 2009 till 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. He 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 (CII), Society of Indian Automobile Manufacturers (SIAM) and Automobile Components Manufacturers Association (ACMA) in the past.

Aside from his board and trust memberships, Mr. Talaulicar is engaged as an advisor to companies and a start-up. He is a part time advisor and lecturer at the SP Jain Institute of Management & Research. He is funding the Usha Jaivant Foundation to educate financially disadvantaged rural youth through college and educating them about important aspects of spirituality, values, and life skills.

Mr. B V R Subbu is an automotive industry expert and a widely acknowledged thought leader. He holds a post graduate degree in Economics from Jawaharlal Nehru University and a post graduate diploma from the Indian Institute of Foreign Trade. He was formerly the President of Hyundai Motors India. In his early career he was extensively involved with Tata Motors holding various responsibilities in Tata Motors' Commercial Vehicles and Multi Utility Vehicles businesses.

Dr. Nickhil Jakatdar is currently the CEO of GenePath Diagnostics, a molecular diagnostics Company. Prior to that he was the CEO and co-founder of Vuclip, a global leader in the Video-on-Demand space. Previously, he founded and ran various startups, such as Timbre Technologies (acquired by Tokyo Electron) and Praesagus (acquired by Cadence Design Systems). He is also the founding member of the Bhau Institute of Innovation, Entrepreneurship and Leadership in Pune and is an investor and advisor to more than 40 startups, and a founding member of the US second division soccer team, Oakland Roots. He has been the recipient of the Lifetime Achievement Award from College of Engineering, Pune, the Institute of Electrical and Electronics Engineer's (IEEE) Best Paper Award in Transactions on Semiconductor Manufacturing and the University of California, Berkeley's EECS Distinguished Alumni Award. He has a track record of successfully bringing technology products and services, across consumer mobile video, computer aided design and semiconductor design for manufacturing software, to the market. He has to his credit more than 20 conference papers and more than 60 issued patents. He holds a bachelor's degree in electrical engineering from the College of Engineering, Pune and a master's degree and Ph.D. in Electrical Engineering and Computer Science from the University of California, Berkeley.

Ms. Bhavna Doshi, a founding partner of Bhavna Doshi Associates LLP, a boutique tax, accounting and regulatory advisory firm, is former partner of KPMG member firm in India. With specialization in the fields of taxation and corporate restructuring, she has been providing advisory services to national and multi-national entities for over 30 years. She has been qualified as a Chartered Accountant in 1976 ranking 2nd on the Merit List and holds master's degree in commerce from the University of Mumbai.

Ms. Bhavna Doshi serves as independent director on Boards of several listed companies.

Ms. Bhavna Doshi was elected to the Council of the Institute of Chartered Accountants of India (ICAI) for four terms of three years each. ICAI is body established for development and regulation of profession of accountancy in India. She has chaired the Accounting Standards Board (which sets accounting standards), Research, Vision 2021, and other Committees of ICAI. She was also member of a group supporting Tax Administration Reform Commission chaired by Dr Parthsarathy Shome. She has served as a member of the Government Accounting Standards Advisory Board set up by the Controller and Auditor General of India. She was a Member of Compliance Advisory Panel of International Federation of Accountants, headquartered in New York.

Ms. Bhavna Doshi was President of the Indian Merchants' Chamber and is actively associated with its activities. She, during her Presidentship, established "IMC Inclusive Innovation Awards" to recognize work of the grass root innovators which meet the criteria of "affordable excellence". Ms. Bhavna Doshi is currently member of CII Corporate Governance Committee and Member of Managing Committee of ASSOCHAM.

Ms. Bhavna Doshi is a Board Member of ICAI Accounting Research Foundation and also of Atal Innovation Centre, NMIMS. She serves as member of Board of Studies of Narsee Monjee College of Commerce and Economics (Autonomous).

Ms. Bhavna Doshi is a regular faculty at programs organized by professional institutes and business chambers, contributes articles and also delivers lectures abroad.

Woman and child empowerment are very close to her heart, and she takes out time for social activities.

Ms. Bhavna Doshi has travelled extensively within and outside of India.

Prof. Rajiv Lal is the Stanley Roth, Sr. Professor of Retailing at Harvard Business School. He is currently teaching the core Marketing course in the MBA program. Prior to this assignment, he developed and taught an elective MBA course on the Business of Smart Connected Products/IOT. He has been responsible for the retailing curriculum and has served as the course head for Marketing, required study in the first year of the MBA program. Prof. Lal also teaches in several Executive Education programs, has previously served as the Faculty Chair for the General Management Program, and the program on Building and Leading a Customer Centric Organization.

Prof. Lal was a Professor at the Graduate School of Business at Stanford University beginning in 1982. He was the Thomas Henry Carroll Ford Foundation Visiting Professor at Harvard Business School from 1997-98. He was the Visiting Professor of Marketing at INSEAD, France in 1986, 1988, 1992, and 1993. He did his undergraduate work in Mechanical Engineering at the Indian Institute of Technology at Kanpur, India and received his Ph.D. in Industrial Administration from Carnegie-Mellon University.

Prof. Lal's current research concerns the opportunities and challenges in building a Business around Smart Connected products/IOT. Working with a large number of companies, his work explores why IOT remains an unfulfilled promise and attributes most of the reasons to the unique difficulties in adoption and monetization of businesses where data is the key ingredient.

His book "Retail Revolution: Will Your Store Survive" is based on many years of extensive field research focusing on the viability of brick-and-mortar stores facing the onslaught of on-line competition. His past work has explored successful retail strategies for global expansion and has written extensively on the impact of using the Internet as a channel of distribution on a retailer's pricing, merchandising, and branding strategy. His earlier work in retailing studies the impact of competition between different retail formats, such as EDLP and Hi-Lo grocers. He has also studied the consequences of grocery retailers' increasing use of store brands on store loyalty and its implications for packaged goods manufacturers. In addition, he has studied how to build and sustain customer-centric retail organizations.

Prof. Lal's earlier research focused on pricing, trade promotions, and salesforce compensation plans. The work on salesforce compensation plans originated with his dissertation research, which won the award for the best paper published in Marketing Science and Management Science in 1985. A subsequent article, also developed from his thesis, received an honorable mention for the same award in 1986. He has also studied compensation plans used by German salesforces.

His work in the area of pricing and promotions has been equally well recognized. Two of his articles were among the finalists for the John D. C. Little award for the best paper published in Management Science and Marketing Science in 1990. One of these articles, co-authored with Jagmohan Raju and V. Srinivasan on the impact of brand loyalty on price promotions, has been awarded the Frank Bass award for the best dissertation paper.

Prof. Lal's published work includes Retail Revolution: Will Your Brick-and-Mortar Store Survive?, "Retail Doesn't Cross Borders: Here's Why and What to do About it" in Harvard Business Review, "Retailing Revolution: Category Killers on the Brink" in HBS Working Knowledge, and Marketing Management: Text and Cases. He has published more than twenty-five articles in academic journals and more than 80 cases and other teaching materials. He has applied his academic frameworks and industry knowledge in much of his research and many of his consulting projects.

Prof. Lal has worked on a variety of such projects with a wide range of companies, including Citigroup, Citizens Bank, American Family Insurance, Philips, GE, PTC, John Deere, Standard Life Plc, Credit Suisse, Stop & Shop, Ito-Yokado, Best Buy, Stride Rite Corporation, Oliver Wyman and Company, Fleming Companies, Nordstrom, Microsoft, Kellogg, Sara Lee D/E, Novartis Pharmaceuticals, Callaway Golf Company, Staples, and other well-known companies on strategy development and execution.

KPIT's global presence

India offices

Registered & Corporate Office

Plot No. 17, Rajiv Gandhi Infotech Park,
MIDC-SEZ, Phase - III, Maan, Taluka-Mulshi,
Hinjawadi, Pune 411057. Maharashtra, India.
Phone: +91-20-6770 6000/6500

Software Development Centres

SEZ Premises
SEZ Unit - III, IT-9, Ground Floor,
Plot 2, Blueridge Township, Qubix SEZ,
MIDC, Phase - I, Hinjawadi,
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Phone: +91-20-4203 7000

No. 20 & 21,
RMZ Ecoworld Infrastructure Private Limited, SEZ,
Sarjapur Outer Ring Road,
Deverabeesanahalli,
Bengaluru – 560103,
Karnataka, India.
Phone: +91 80 6606 6000/6141 9000
Fax: +91 80 6606 6001

Unit – II, Plot B, Campus 5B, 9th Floor,
RMZ Ecoworld Infrastructure Private Limited, SEZ,
Devarabeesanahalli Village, Sarjapur Outer Ring Road,
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Phone: +91-80-6606 6262

Other Premises

Plot No. 2, Survey. No. 288,
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#16, PSS Plaza, 1st and 2nd Floor,
New Thippasandra Main Road,
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Trans Asia Corporate Park,
XIV/396-T, Sea Port - Airport Road,
Chittethukara, Kakkanad,
Cochin, Kerala-682037.

Research and Development Unit

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16 avenue de la Grande Armée 75017,
Paris, France.

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Spain.
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Financial Statements

Independent Auditor's Report

To the Members of KPIT Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of KPIT Technologies Limited (the "Company"), and its Employee Stock Option Plan (ESOP) trust which comprise the standalone balance sheet as at 31 March 2023, 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 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 2023, and its profit and other comprehensive loss, 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 obtained by us, is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements 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.

Key audit matter - Revenue recognition in respect of fixed price contracts

See Note 33 to 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, 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 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. Contract estimates are formed by the Company considering the following: • 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.	Our audit procedures in this area included the following: • Obtained 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. • Tested 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:

The key audit matter	How the matter was addressed in our audit
• There is judgement involved in identification of distinct performance obligations and determination of transaction price for such performance obligations. • 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. 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. (Refer note 2.3(i), 2.16 and 33 to the standalone financial statements)	i. Evaluating the identification of performance obligations. ii. Agreeing the transaction price to the underlying contracts. iii. Inspecting the approval of the estimates of cost to complete. iv. 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. v. Assessing the work in progress (contract assets) on the balance sheet date by inspecting the underlying invoices and signed agreements on a sample basis to identify possible delays in achieving milestones. Those may require change in estimated costs to complete the remaining performance obligations. vi. Comparing, on a sample basis, revenue transactions recorded during the year withthe 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. vii. 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 Financial Statements and Auditor's 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 Annual report, but does not include the financial statements and auditor's reports thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether 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.

Management's and Board of Directors'/Board of Trustees' Responsibilities 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. The respective Management and Board of Directors of the companies/Board of Trustees of the ESOP Trust are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company/ESOP trust 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the respective Management and Board of Directors/Board of Trustees are responsible for assessing the ability of each company/ESOP trust 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/Board of Trustees either intends to liquidate the company/ESOP trust or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors/Board of Trustees are responsible for overseeing the financial reporting process of each company/ESOP trust.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 in preparation of standalone 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 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.
- Obtain sufficient appropriate audit evidence regarding the financial statements of ESOP trust of the Company to express an opinion on the standalone financial statements. For the ESOP Trust included in the standalone financial statements, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

a. We did not audit the financial statements of 1 ESOP Trust included in the standalone financial statements of the Company whose financial statements reflects total assets (before consolidation adjustments) of Rs. 594.17 million as at 31 March 2023, total revenue (before consolidation adjustments) of Rs. 17.42 million and net cash outflows (before consolidation adjustments) amounting to Rs. 183.30 million for the year ended on that date, as considered in the standalone financial statements. The financial statements of this ESOP Trust has been audited by the other auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of ESOP Trust, is based solely on the report of such other auditor.

   Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of 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, based on our audit and on the consideration of report of the other auditor on separate financial statements of ESOP Trust as was audited by other auditor, 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.

      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 and the report of the other auditor.

      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 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 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 Auditor's 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 and based on the consideration of the reports of the other auditor on separate financial statement of the ESOP Trust, as noted in the "Other Matters" paragraph:

      a. The Company does not have any pending litigations which would impact its financial position.

      b. 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 24 to the standalone financial statements.

      c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      d. (i) The management of the Company represented to us that, to the best of its knowledge and belief, other than as disclosed in the Note 48 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Company represented to us that, to the best of its knowledge and belief, as disclosed in the Note 49 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that there presentations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Company during the year and until the date of this audit report is in compliance accordance with Section 123 of the Act.

As stated in Note 18.7 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act 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
Membership No.: 113896
ICAI UDIN:23113896BGYERO5793

Place: Pune
Date: 26 April 2023

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of KPIT Technologies Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is a service company, primarily rendering Product Engineering solutions and services to Automobile and Mobility Sector. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Accordingly, provisions of clause3(iii)(a) and clauses 3(iii)(c) to 3(iii)(f) of the Order are not applicable to the Company. The Company has made investments in other companies. The Company has not made any investments in firms, limited liability partnership or any other parties.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investment made during the year is not prejudicial to the interest of the Company. The Company has not extended any guarantee, security or given any loans or advances in the nature of loans.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("theAct"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Professional tax ranging from 1 to 4 days.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer(including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi)(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

Swapnil Dakshindas
Partner
Membership No.: 113896
ICAI UDIN:23113896BGYERO5793

Place: Pune
Date: 26 April 2023

Annexure B to the Independent Auditor's Report on the standalone financial statements of KPIT Technologies Limited for the year ended 31 March 2023

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 Act

(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 KPIT Technologies Limited ("the Company") as of 31 March 2023 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 financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company 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 and Board of Directors' Responsibilities 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 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 the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to 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 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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to 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
Membership No.: 113896
ICAI UDIN:23113896BGYERO5793

Place: Pune
Date: 26 April 2023

Balance Sheet

(Amount in ₹ million)

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,723.92	1,663.44
Right-of-use assets	4	828.97	1,087.15
Capital work-in-progress	5	48.75	2.28
Other intangible assets	6	248.53	245.52
Intangible assets under development	7	268.77	-
Financial assets			
Investments	8	8,091.46	4,491.50
Other financial assets	9	329.15	353.22
Income tax assets (net)		130.54	142.06
Deferred tax assets (net)	10	556.88	598.95
Other non-current assets	11	7.98	5.67
		12,234.95	**8,589.79**
Current Assets			
Financial assets			
Investments	12	351.81	1,004.49
Trade receivables	13		
Billed		3,554.64	2,331.66
Unbilled		690.58	328.96
Cash and cash equivalents	14	713.05	458.57
Other balances with banks	15	236.54	4,022.82
Other financial assets	16	185.95	266.06
Other current assets	17	245.97	239.64
		5,978.54	**8,652.20**
TOTAL ASSETS		**18,213.49**	**17,241.99**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	2,703.46	2,700.17
Other equity		11,133.80	9,488.26
Total equity		**13,837.26**	**12,188.43**

Balance Sheet

(Amount in ₹ million)

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
Liabilities			
Non-Current Liabilities			
Financial liabilities			
Borrowings	19	2.26	18.65
Lease liabilities	38	431.27	656.25
Other financial liabilities	20	93.17	727.60
Provisions	21	317.35	202.47
		844.05	**1,604.97**
Current liabilities			
Financial liabilities			
Borrowings	22	3.81	7.15
Lease liabilities	38	130.04	138.76
Trade payables	23		
(i) Total outstanding dues of micro enterprises and small enterprises		3.14	4.38
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		506.75	574.84
Other financial liabilities	24	1,493.72	1,479.56
Other current liabilities	25	1,049.54	848.60
Provisions	26	274.52	394.65
Income tax liabilities (net)		70.66	0.65
		3,532.18	**3,448.59**
TOTAL EQUITY AND LIABILITIES		**18,213.49**	**17,241.99**

See accompanying notes to the standalone financial statements

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: 26 April 2023

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN: 00075861

Kishor Patil
CEO & Managing Director
DIN: 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 26 April 2023

Statement of Profit and Loss

(Amount in ₹ million)

Particulars	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations	27	15,164.29	11,809.88
Other income	28	423.56	772.72
Total income		**15,587.85**	**12,582.60**
Expenses			
Employee benefits expense	29	8,873.32	7,048.08
Finance costs	30	146.79	108.56
Depreciation and amortization expense		905.17	815.76
Other expenses	31	2,007.04	1,844.48
Total expenses		**11,932.32**	**9,816.88**
Profit before tax		**3,655.53**	**2,765.72**
Tax expense	45		
Current tax		857.68	511.53
Deferred tax		(3.76)	(127.01)
Total tax expense		**853.92**	**384.52**
Profit for the year		**2,801.61**	**2,381.20**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit plans - gain/(loss)	34	(88.38)	(76.96)
Income tax on items that will not be reclassified subsequently to profit or loss		30.88	25.57
Items that will be reclassified subsequently to profit or loss			
Effective portion of gains on hedging instruments in cash flow hedges	32	(162.21)	19.13
Income tax on items that will be reclassified subsequently to profit or loss		56.68	(6.68)
Total other comprehensive income/(loss)		**(163.03)**	**(38.94)**
Total comprehensive income for the year		**2,638.58**	**2,342.26**
Earnings per equity share (face value per share ₹ 10 each)	37		
Basic		10.37	8.83
Diluted		10.26	8.73

See accompanying notes to the standalone financial statements

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

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Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 26 April 2023

Statement of Changes in Equity

(Amount in ₹ million)

A Equity share capital (Refer note 18)

Balance as at 1 April 2022	Changes in equity share capital due to prior period errors	Restated balance as at 1 April 2022	Changes in equity share capital during the year	Balance as at 31 March 2023
2,700.17	-	2,700.17	3.29	2,703.46

Balance as at 1 April 2021	Changes in equity share capital due to prior period errors	Restated balance as at 1 April 2021	Changes in equity share capital during the year	Balance as at 31 March 2022
2,690.44	-	2,690.44	9.73	2,700.17

B Other equity

	Reserves and surplus					Items of other comprehensive income		Total other equity
	Capital reserve	General reserve	Retained earnings	Share based payment reserve	Special Economic Zone Re-investment reserve	Effective portion of cash flow hedges (Refer note 32.3)	Re-measurement of net defined benefit plan (Refer note 34)	
Balance as at 1 April 2022	**2,220.91**	**75.97**	**7,086.46**	**188.29**	**-**	**57.12**	**(140.49)**	**9,488.26**
Profit for the year	-	-	2,801.61	-	-	-	-	2,801.61
Other comprehensive income/(loss) (net of tax)	-	-	-	-	-	(105.53)	(57.50)	(163.03)
Total comprehensive income/(loss) for the year	**-**	**-**	**2,801.61**	**-**	**-**	**(105.53)**	**(57.50)**	**2,638.58**
Others								
Dividends (Refer note 18.7)	-	-	(891.63)	-	-	-	-	(891.63)
Transfer to general reserve from share based payment reserve	-	30.34	-	(30.34)	-	-	-	-
Transfer to Special Economic Zone Re-investment reserve account from retained earnings			(130.05)		130.05	-	-	-
Accumulated surplus of employee welfare trust	-	-	(214.44)	-	-	-	-	(214.44)
Share based payment to employees (net)	-	-	-	113.03	-	-	-	113.03
Balance as at 31 March 2023	**2,220.91**	**106.31**	**8,651.95**	**270.98**	**130.05**	**(48.41)**	**(197.99)**	**11,133.80**
Balance as at 1 April 2021	**2,220.91**	**44.00**	**5,428.84**	**142.89**	**-**	**44.67**	**(89.10)**	**7,792.21**
Profit for the year	-	-	2,381.20	-	-	-	-	2,381.20
Other comprehensive income/(loss) (net of tax)	-	-	-	-	-	12.45	(51.39)	(38.94)
Total comprehensive income/(loss) for the year	**-**	**-**	**2,381.20**	**-**	**-**	**12.45**	**(51.39)**	**2,342.26**
Others								
Dividends (Refer note 18.7)	-	-	(741.30)	-	-	-	-	(741.30)
Transfer to general reserve from share based payment reserve	-	31.97	-	(31.97)	-	-	-	-
Accumulated surplus of employee welfare trust	-	-	17.72	-	-	-	-	17.72
Share based payment to employees (net)	-	-	-	77.37	-	-	-	77.37
Balance as at 31 March 2022	**2,220.91**	**75.97**	**7,086.46**	**188.29**	**-**	**57.12**	**(140.49)**	**9,488.26**

Statement of Changes in Equity

(Amount in ₹ million)

Nature and purpose of reserves:

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. Any surplus or shortfall on account of merger/demerger within common control is also transferred to capital reserve. This reserve is not available for distribution of dividend.

ii) General reserve

During the year ended 31 March 2019, general reserve amounting to ₹ 34.38 million was transferred to the Company on account of composite scheme of arrangement - demerger scheme. 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 and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to Statement of Profit and Loss.

iii) Retained earnings

It comprises of the undistributed accumulated earnings of the Company as on the balance sheet date. This amount can be used to distribute dividend to equity shareholders.

iv) Share based payment reserve

Share based payment reserve is used to record the fair value of equity-settled share-based payment transactions with employees. Refer note 35 for the details of employee stock options and share purchase schemes.

v) Special Economic Zone Re-investment reserve

The Special Economic Zone Re-investment Reserve has been created out of the profit of eligible SEZ units in terms of the provisions of Sec 10AA(1)(ii) of the Income-tax Act, 1961. The reserve will be utilized by the Company for acquiring new assets for the purpose of its business as per the terms of the Sec 10AA(2) of the Income-tax Act, 1961.

See accompanying notes to the consolidated financial statements

As per our report of even date attached

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 26 April 2023

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN: 00075861

Kishor Patil
CEO & Managing Director
DIN: 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 26 April 2023

Statement of Cash Flows

(Amount in ₹ million)

		For the year ended 31 March 2023	For the year ended 31 March 2022
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit for the year	2,801.61	2,381.20
	Adjustments for:		
	Tax expense	853.92	384.52
	Depreciation and amortization expense	905.17	815.76
	Interest expense	146.79	108.56
	Interest income	(120.89)	(189.85)
	Dividend income	(1.41)	(329.89)
	Property, plant and equipments and other intangible assets written off	4.96	107.78
	Net profit on disposal of property, plant and equipments	(6.70)	(0.72)
	Unrealised gain on investment carried at fair value through profit and loss (net)	25.68	(50.67)
	Realised gain on investment carried at fair value through profit and loss (net)	(59.54)	(26.51)
	Provision for doubtful debts and advances (net)	38.91	(117.24)
	Bad debts written off	7.18	52.89
	Share based compensation expenses	60.12	51.61
	Net unrealised foreign exchange loss/(gain)	(46.13)	(3.16)
	Gain on sale of investment in an associate	(16.60)	-
	Others	(7.18)	(0.86)
	Operating profit before working capital changes	**4,585.89**	**3,183.42**
	Adjustments for changes in working capital:		
	Trade receivables	(1,575.90)	(716.64)
	Other financials assets and other assets	(15.27)	144.28
	Trade payables	(69.13)	93.77
	Other financial liabilities, other liabilities and provisions	(243.86)	780.19
	Cash generated from operations	**2,681.73**	**3,485.02**
	Taxes paid (net)	(642.65)	(567.74)
	Net cash generated from operating activities (A)	**2,039.08**	**2,917.28**
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of property, plant and equipment and intangible assets	(1,117.39)	(573.96)
	Proceeds from sale of property, plant and equipment	13.46	1.26
	Investment in subsidiaries	(4,050.95)	(626.15)
	Investment in an associate	-	(2.52)
	Proceeds from sale of investment in an associate	19.13	-
	Proceeds from liquidation of a subsidiary	-	34.63
	Investment in mutual fund	(5,170.00)	(2,570.00)
	Proceeds from sale of investment in mutual fund	5,846.25	2,845.17
	Proceed from sale of investments carried at fair value through profit and loss	10.29	69.11
	Interest received	186.94	137.59
	Dividend received	0.41	329.89
	Fixed deposits with banks (net) having maturity over three months	3,805.01	(1,617.86)
	Net cash used in investing activities (B)	**(456.85)**	**(1,972.84)**

Statement of Cash Flows

(Amount in ₹ million)

		For the year ended 31 March 2023	For the year ended 31 March 2022
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of long term loan from banks*	(3.83)	(3.50)
	Repayment of long term loan from other than banks*	(15.00)	(1.87)
	Payment of lease liabilities*	(188.14)	(198.59)
	Proceeds from working capital loan*	962.48	1,801.39
	Repayment of working capital loan*	(962.48)	(1,801.39)
	Payments for shares purchased by Employee Welfare Trust	(228.43)	-
	Proceeds from shares issued by Employee Welfare Trust	17.28	27.45
	Dividend paid	(891.63)	(741.30)
	Interest and finance charges paid	(9.13)	(3.59)
	Net cash used in financing activities (C)	**(1,318.88)**	**(921.40)**
D	**Exchange differences on translation of foreign currency cash and cash equivalents**	**(8.87)**	**(2.72)**
	Net increase in cash and cash equivalents (A + B + C + D)	**254.48**	**20.32**
	Cash and cash equivalents at close of the year (Refer note 14)	713.05	458.57
	Cash and cash equivalents at beginning of the year	458.57	438.25
	Cash surplus/(deficit) for the year	**254.48**	**20.32**

***Reconciliation of liabilities from financing activities for the year ended 31 March 2023:**

Particulars	Non-current borrowings (including related current portion)	Current borrowings	Leases (Refer note 38)
Balance at the start of the year	25.80	-	795.01
Add: Cash inflow (proceeds of working capital loans from banks)	-	962.48	-
Less: Cash outflow (repayment of loans and payment of lease liabilities)	18.83	962.48	188.14
Add: Non-cash changes (including effects of unrealised foreign exchange)	(0.90)	-	(45.56)
Closing balance at the end of the year	6.07	-	561.31

Statement of Cash Flows

(Amount in ₹ million)

***Reconciliation of liabilities from financing activities for the year ended 31 March 2022:**

Particulars	Non-current borrowings (including related current portion)	Current borrowings	Leases (Refer note 47)
Balance at the start of the year	31.33	-	567.03
Add: Cash inflow (proceeds of working capital loans from banks)	-	1,801.39	-
Less: Cash outflow (repayment of loans and payment of lease liabilities)	5.37	1,801.39	198.59
Add: Non-cash changes (including effects of unrealised foreign exchange)	(0.16)	-	426.57
Closing balance at the end of the year	25.80	-	795.01

See accompanying notes to the Standalone financial statements

As per our report of even date attached

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 26 April 2023

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN: 00075861

Kishor Patil
CEO & Managing Director
DIN: 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 26 April 2023

Notes forming part of the standalone financial statements

for the year ended 31st March, 2023

1 Company Overview

KPIT Technologies Limited ("the Company") (collectively with an employee welfare trust), is a leading independent software development and integration partner helping mobility leapfrog towards a clean, smart, and safe future. With 10,000+ automobelievers across the globe specializing in embedded software, AI, and digital solutions, the Company accelerates clients' implementation of next-generation technologies for the future mobility roadmap. With engineering centers in Europe, the USA, Brazil, Japan, China, Thailand and India, the Company works with leaders in automotive and mobility and is present where the ecosystem is transforming.

The Company is a public limited company incorporated in India and is listed on the BSE Limited and National Stock Exchange of India Limited. The Company has its registered office at Plot-17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Hinjawadi, Taluka - Mulshi, Pune – 411057, Maharashtra, India and it has subsidiaries across multiple geographies.

The standalone financial statements were authorised for issue by the Company's Board of Directors on 26 April 2023.

2 Significant accounting policies

2.1 Statement of compliance

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 applicable rules as amended from time to time and the provisions of Companies Act, 2013. These financial statements are presented in millions of Indian rupees (₹) rounded off to two decimal places, except per share information, unless otherwise stated.

2.2 Basis of preparation of standalone financial statements

These financial statements have been prepared on the historical cost basis, except 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.

The statement of cash flows has been prepared under the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

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.

2.3 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 recognised in the year in which the results are known/materialized.

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 determine the costs expended to date as a proportion of the total estimated costs to be expended. Costs expended have been used to measure progress towards completion as generally it is estimated that there is a direct relationship between input and output in respect of work completed.

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 period end date.

ii. Income tax

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions (if any).

Notes forming part of the standalone financial statements

for the year ended 31st March, 2023

iii. Valuation of deferred tax assets

The Company reviews carrying amount of deferred tax asset at the end of each reporting period. The policy has been explained under note 2.23.

iv. Impairment of investment in subsidiaries

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the Statement of Profit and Loss. Significant judgements and estimates are involved while computing the recoverable amount.

v. 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 payments are included in note 34 and 35.

vi. Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities.

vii. 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.

The Company reassesses the lease term upon the occurrence of a significant event or a significant change in circumstances that is within the control of the Company and affects whether it is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

2.4 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:

i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

ii) it is held primarily for the purpose of being traded;

iii) it is expected to be realised within 12 months after the reporting date; or

iv) 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:

i) it is expected to be settled in the Company's normal operating cycle;

ii) it is held primarily for the purpose of being traded;

iii) it is due to be settled within 12 months after the reporting date; or

iv) 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.

Notes forming part of the standalone financial statements

for the year ended 31st March, 2023

2.5 Foreign currency transactions

i. Functional and presentation currency

Indian Rupee is the Company's functional as well as presentation currency.

ii. 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 realised exchange differences are recognised 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.

2.6 Financial instruments

i. Initial recognition

Financial assets and liabilities are recognised 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.

ii. Subsequent measurement

a) Non-derivative financial instruments

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised 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 recognised in other comprehensive income.

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised 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.

b) 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.

Notes forming part of the standalone financial statements

for the year ended 31st March, 2023

Financial assets or financial liabilities, at fair value through profit or loss

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised 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 realised within 12 months after the balance sheet date.

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 recognised 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 recognised 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 recognised 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 recognised 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 and Loss and other comprehensive income.

c) **Treasury Shares**

When any entity within the Group (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 recognised as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/ from other equity.

iii. **Derecognition of financial instruments**

The Company derecognises 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 derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

iv. **Fair value measurement of financial instruments**

When the fair value of financial assets and financial liabilities cannot be measured based on quoted prices in active markets, the Company uses discounted cash flow analysis method for the fair value of its financial instruments except for employee stock options, 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 realised.

For all other financial instruments the carrying amount approximates fair value due to short maturity of those instruments.

Notes forming part of the standalone financial statements

for the year ended 31st March, 2023

v. **Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.7 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 , then 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 recognised in the Statement of Profit and Loss. Assets under construction are disclosed as capital work-in-progress.

2.8 Leases

A contract, or part of a contract, is a lease if that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

The Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company determines the lease term as the non-cancellable period of a lease, together

Notes forming part of the standalone financial statements

for the year ended 31st March, 2023

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.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in the Statement of Profit and Loss.

The Company has elected not to apply the requirements of Ind-AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease. If an arrangement contains lease and non-lease components, the Company applies Ind-AS 115 Revenue to allocate the consideration in the contract.

2.9 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 recognised in the Statement of Profit and Loss as incurred.

Intangible fixed assets are derecognised on disposal or when no future economic benefits are expected from its use and subsequent disposal or when the economic benefits are not measurable.

2.10 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	30
Plant and equipment[(1)]	4-5
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.*

Notes forming part of the standalone financial statements

for the year ended 31st March, 2023

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.

The right-of-use assets is depreciated over shorter of useful life and lease term.

Perpetual software licenses are amortised over 4 years. However, time-based software licenses are amortised over the license period.

Capitalised development costs are amortised 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 amortised 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.

2.11 Impairment

i. 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 recognises 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 recognised is recorded as an impairment gain or loss in the Statement of Profit and Loss.

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. While assessing the recoverability of receivables including unbilled receivables, the Company has considered internal and external information up to the date of approval of these standalone financial statements including credit reports and economic forecasts. The Company expects to recover the carrying amount of these assets.

ii. 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 recognised 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 recognised. Such a reversal is recognised in the Statement of Profit and Loss.

Notes forming part of the standalone financial statements

for the year ended 31st March, 2023

2.12 Investment in subsidiaries

Investment in subsidiaries are measured at cost less impairment.

2.13 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.

2.14 Provisions, Contingent liabilities and Contingent assets

The Company recognises 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 recognised 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

b. Present obligations that arise from past events but are not recognised 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 recognised in the standalone financial statements since this may result in the recognition of income that may never be realised.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Company recognises 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 accounts for the provision for warranty on the basis of the information available with the Management duly taking into account the historical experience and current estimates.

2.15 Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a short maturity of three months or less from the date of investment.

2.16 Revenue recognition

The Company derives revenues primarily from providing engineering services which includes design engineering services, embedded software development with its related services and from the sale of licenses and products.

The following is the summary of significant accounting policies related to revenue recognition:

Notes forming part of the standalone financial statements

for the year ended 31st March, 2023

Revenue is recognised upon transfer of control of promised services or products to customers for an amount that reflects the consideration expected to be received in exchange for those services or products.

Arrangements with customers for such engineering and its related services are bifurcated into following key categories:

a. Revenue on time and material contracts for the reporting period is recognised as and when the related services are performed and billed to the end customers. If billing for the related services is not done during the reporting period, revenue is recognized as unbilled revenue at the end of the reporting period.

b. Revenue from fixed price contracts where the performance obligations are directly linked to costs expended and are satisfied over time and there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. Costs expended have been used to measure progress towards completion as generally there is a direct relationship between input and output in respect of work completed.

c. Maintenance revenue is recognised ratably over the term of the underlying maintenance arrangement.

d. Revenue from client training, support and other services arising due to the sale of software products is recognised as the services are performed.

e. Revenue from internally developed software product licenses where the customer obtains a "right to use" the license is recognised at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognised over the access period.

f. Revenue from sale of third party licenses is recognised only when the sale is completed by passing ownership.

g. Revenue from sale of hardware products is recognized upon actual delivery of goods along with transfer of control and significant risks and rewards to the customers.

The following are the details of key significant accounting policies related to revenue recognition for all the above mentioned categories:

a. Revenue in excess of invoicing is classified either as contract asset (unbilled revenue) or financial asset (unbilled revenue), while invoicing in excess of revenue is classified as contract liabilities (unearned revenue).

b. Unbilled revenue is classified as contract asset when there is a right to consideration in exchange for goods or services which is conditional on something other than the passage of time. Whereas, it is classified as financial asset when such right to consideration in exchange for goods or services is conditional only on passage of time.

c. Amount billed in advance, without services being rendered, is classified as unearned revenue (contract liabilities).

   Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses 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.

d. The Company accounts for volume and/or trade discounts to customers as a reduction of revenue. Also, when the level of discount varies with increases in levels of revenue transactions, the company recognises the liability based on its estimate of the customer's future purchases. The Company recognises changes in the estimated amount of obligations for discounts in the period in which the change occurs. The discounts are passed on to the customer either as direct payments or as a reduction of payments due from the customer.

e. When there is an uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Notes forming part of the standalone financial statements

for the year ended 31st March, 2023

f. In accordance with Ind-AS 37, provision for onerous contract/ estimated losses, if any, on uncompleted contracts are recorded in a period in which such losses become probable based on the expected contract estimates at the period end date.

g. The Company presents revenues net of indirect tax in its Statement of Profit and Loss.

h. Arrangements to deliver software products generally have three elements: license, implementation and Annual Technical Services(ATS). The Company has applied the principles under Ind-AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts is allocated to each performance obligation of the contract based on its relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customised as part of the implementation service, the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognised using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognised as the performance obligations are satisfied. ATS revenue is recognised ratably over the period in which the services are rendered.

i. In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Significant judgments in revenue recognition:

a. 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.

b. 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. 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.

c. 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.

d. 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.

Notes forming part of the standalone financial statements

for the year ended 31st March, 2023

e. Revenue from fixed price contracts where the performance obligations are directly linked to costs expended and are satisfied over time and there is no uncertainty as to measurement or collectability of consideration, is recognised as per the 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.

2.17 Other income

Other income primarily consist of interest income, dividend income, net gain on investment and net foreign exchange gain. Interest income is recognised using the effective interest method. Dividend income is recognised when right to receive payment is established.

2.18 Finance costs

Finance costs include interest cost on borrowings, lease liabilities and other financial instruments. Borrowing costs are recognised using effective interest rate method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised 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.

2.19 Employee benefits

i. Defined benefit plan

The Company's gratuity scheme is a defined benefit plan (funded). 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 recognised in other comprehensive income for the period in which they occur. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss. Past service cost is recognised immediately to the extent that the benefits are already vested or amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised 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.

ii. 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 recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

iii. Compensated absences

The employees 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 Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this

Notes forming part of the standalone financial statements

for the year ended 31st March, 2023

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.

iv. Other employee benefits

The undiscounted amount of short-term employee benefits and discounted amount of long term employee benefit, expected to be paid in exchange for the services rendered by employees, are recognised during the period when the employee renders the service.

2.20 Research and development:

Costs incurred during the research phase of a project are expensed when incurred. Costs incurred in the development phase are recognised as an intangible asset in accordance with policy defined in 2.9.

2.21 Employee stock option

In respect of stock options granted pursuant to the Company's Employee Stock Option Scheme, the Company recognises 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.

When the terms of the share-based payment arrangement are modified, the minimum expense recognised is the expense had the terms not been modified. Additional expense is recognised on modification that increase the total fair value of the share-based payment arrangement or are otherwise beneficial to the employee. Where the grant of equity instruments is cancelled by the entity, the remaining fair value is recognised immediately in the Statement of profit and Loss.

For the stock options granted to the employees of the subsidiaries, the share based compensation expenses are charged to the respective subsidiary.

2.22 Dividend

The Company declares and pays dividends in Indian rupees. Final dividend and interim dividend on equity shares are recorded as a liability on approval by the shareholders and on declaration by the Company's Board of Directors respectively. Dividends declared by the Company are based on profits available for distribution.

2.23 Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income. Current income tax for current and prior periods is recognised 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 recognised 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 recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognised 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 recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Notes forming part of the standalone financial statements

for the year ended 31st March, 2023

Minimum Alternate Tax

Minimum Alternate Tax ("MAT") under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised 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 recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

2.24 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 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.

2.25 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April 2023, as below:

Ind-AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind-AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind-AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company is evaluating the impact, if any, in its financial statements.

Notes forming part of the standalone financial statements

(Amount in ₹ million)

3 Property, plant and equipment

	Building	Leasehold improvements	Plant and Equipment	Furniture and Fixtures	Vehicles Owned	Office Equipment	Total
Gross carrying amount as at 1 April 2021	**1,036.72**	**136.62**	**975.57**	**145.41**	**44.15**	**353.15**	**2,691.62**
Additions	69.75	2.40	217.05	9.58	-	30.02	328.80
Disposal/retirement/derecognition	18.06	18.37	105.99	17.18	6.76	35.08	201.44
Gross carrying amount as at 31 March 2022	**1,088.41**	**120.65**	**1,086.63**	**137.81**	**37.39**	**348.09**	**2,818.98**
Accumulated depreciation as at 1 April 2021	**80.33**	**107.90**	**559.06**	**81.98**	**24.22**	**137.96**	**991.45**
Depreciation for the year	36.58	3.28	201.95	15.04	5.51	35.62	297.98
Disposal/retirement/derecognition	2.52	18.09	72.97	14.28	6.64	19.39	133.89
Accumulated depreciation as at 31 March 2022	**114.39**	**93.09**	**688.04**	**82.74**	**23.09**	**154.19**	**1,155.54**
Carrying amount as at 31 March 2021	**956.39**	**28.72**	**416.51**	**63.43**	**19.93**	**6.00**	**1,490.98**
Carrying amount as at 31 March 2022	**974.02**	**27.56**	**398.59**	**55.07**	**14.30**	**193.90**	**1,663.44**
Gross carrying amount as at 1 April 2022	**1,088.41**	**120.65**	**1,086.63**	**137.81**	**37.39**	**348.09**	**2,818.98**
Additions	9.45	5.81	332.51	0.89	10.87	19.88	379.41
Disposal/retirement/derecognition	-	-	229.88	13.16	5.92	23.22	272.18
Gross carrying amount as at 31 March 2023	**1,097.86**	**126.46**	**1,189.26**	**125.54**	**42.34**	**344.75**	**2,926.21**
Accumulated depreciation as at 1 April 2022	**114.39**	**93.09**	**688.04**	**82.74**	**23.09**	**154.19**	**1,155.54**
Depreciation for the year	37.57	3.60	220.36	14.04	6.17	30.43	312.17
Disposal/retirement/derecognition	-	-	225.24	11.78	5.92	22.48	265.42
Accumulated depreciation as at 31 March 2023	**151.96**	**96.69**	**683.16**	**85.00**	**23.34**	**162.14**	**1,202.29**
Carrying amount as at 31 March 2022	**974.02**	**27.56**	**398.59**	**55.07**	**14.30**	**193.90**	**1,663.44**
Carrying amount as at 31 March 2023	**945.90**	**29.77**	**506.10**	**40.54**	**19.00**	**182.61**	**1,723.92**

Notes forming part of the standalone financial statements

(Amount in ₹ million)

4 Right-of-use assets

	Building (Leasehold)	Land (Leasehold)	Vehicles Leased	Total
Gross carrying amount as at 1 April 2021	**654.10**	**423.90**	**6.70**	**1,084.70**
Additions	415.40	-	-	415.40
Derecognition/adjustments	168.61	-	6.49	175.10
Gross carrying amount as at 31 March 2022	**900.89**	**423.90**	**0.21**	**1,325.00**
Accumulated depreciation as at 1 April 2021	**219.63**	**25.31**	**6.70**	**251.64**
Depreciation for the year	151.32	4.64	-	155.96
Derecognition/adjustments	163.26	-	6.49	169.75
Accumulated depreciation as at 31 March 2022	**207.69**	**29.95**	**0.21**	**237.85**
Carrying amount as at 31 March 2021	**434.47**	**398.59**	**-**	**833.06**
Carrying amount as at 31 March 2022	**693.20**	**393.95**	**-**	**1,087.15**
Gross carrying amount as at 1 April 2022	**900.89**	**423.90**	**0.21**	**1,325.00**
Additions	26.47	-	-	26.47
Derecognition/adjustments	158.77	-	-	158.77
Gross carrying amount as at 31 March 2023	**768.59**	**423.90**	**0.21**	**1,192.70**
Accumulated depreciation as at 1 April 2022	**207.69**	**29.95**	**0.21**	**237.85**
Depreciation for the year	152.32	4.64	-	156.96
Derecognition/adjustments	31.08	-	-	31.08
Accumulated depreciation as at 31 March 2023	**328.93**	**34.59**	**0.21**	**363.73**
Carrying amount as at 31 March 2022	**693.20**	**393.95**	**-**	**1,087.15**
Carrying amount as at 31 March 2023	**439.66**	**389.31**	**-**	**828.97**

5 Capital work-in-progress ageing schedule

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at 31 March 2023					
Projects in progress	48.75	-	-	-	48.75
Project temporarily suspended	-	-	-	-	-
Total	**48.75**	**-**	**-**	**-**	**48.75**
As at 31 March 2022					
Projects in progress	2.28	-	-	-	2.28
Project temporarily suspended	-	-	-	-	-
Total	**2.28**	**-**	**-**	**-**	**2.28**

Note:

(i) As on the date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

Notes forming part of the standalone financial statements

(Amount in ₹ million)

6 Other intangible assets

	Internally Generated		Other than Internally Generated	Total
	Product Development Cost	Technical know how	Software	
Gross carrying amount as at 1 April 2021	**834.85**	**9.51**	**1,358.76**	**2,203.12**
Additions	-	-	347.59	347.59
Disposal/retirement/derecognition	-	9.51	177.68	187.19
Gross carrying amount as at 31 March 2022	**834.85**	**-**	**1,528.67**	**2,363.52**
Accumulated amortisation as at 1 April 2021	**826.46**	**9.51**	**1,107.42**	**1,943.39**
Amortisation for the year	8.39	-	353.43	361.82
Disposal/retirement/derecognition	-	9.51	177.70	187.21
Accumulated amortisation as at 31 March 2022	**834.85**	**-**	**1,283.15**	**2,118.00**
Carrying amount as at 31 March 2021	**8.39**	**-**	**251.34**	**259.73**
Carrying amount as at 31 March 2022	**-**	**-**	**245.52**	**245.52**
Gross carrying amount as at 1 April 2022	**834.85**	**-**	**1,528.67**	**2,363.52**
Additions	-	-	439.05	439.05
Gross carrying amount as at 31 March 2023	**834.85**	**-**	**1,967.72**	**2,802.57**
Accumulated amortisation as at 1 April 2022	**834.85**	**-**	**1,283.15**	**2,118.00**
Amortisation for the year	-	-	436.04	436.04
Accumulated amortisation as at 31 March 2023	**834.85**	**-**	**1,719.19**	**2,554.04**
Carrying amount as at 31 March 2022	**-**	**-**	**245.52**	**245.52**
Carrying amount as at 31 March 2023	**-**	**-**	**248.53**	**248.53**

7 Intangible assets under development ageing schedule

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at 31 March 2023					
Projects in progress	268.77	-	-	-	268.77
Project temporarily suspended	-	-	-	-	-
Total	**268.77**	**-**	**-**	**-**	**268.77**
As at 31 March 2022					
Projects in progress	-	-	-	-	-
Project temporarily suspended	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	

Note:

(i) As on the date of the balance sheet, there are no intangible assets under development whose completion is overdue or has exceeded the cost, based on approved plan.

Notes forming part of the standalone financial statements

(Amount in ₹ million)

8 Investments

(Unquoted)

8A Investments in equity instruments of joint arrangement and associate measured at cost

	31 March 2023	31 March 2022
Yantra Digital Services Private Limited (Refer note i below)	-	-
Nil (Previous year 5,400) equity shares of ₹ 10 each fully paid		
PathPartner Interior Sensing Private Limited (Refer note ii below)	-	2.52
Nil (Previous year 252,000) equity shares of ₹ 10 each fully paid		

8B Investments in equity instruments of subsidiaries measured at cost

	31 March 2023	31 March 2022
KPIT Technologies (UK) Limited	1,273.72	1,273.72
A wholly owned subsidiary company incorporated in UK		
14,990,616 (Previous year 14,990,616) Equity shares of GBP 1 each fully paid-up		
KPIT (Shanghai) Software Technology Co. Limited	128.84	128.84
A wholly owned subsidiary company incorporated in China		
14,074,702 (Previous year 14,074,702) Equity shares of RMB 1 each fully paid up		
KPIT Technologies Netherlands B.V.	34.30	34.30
A wholly owned subsidiary company incorporated in Netherlands		
5,000 (Previous year 5,000) Equity shares of EUR 100 each fully paid up		
KPIT Technologias Ltda.	17.48	17.48
999 (Previous year 999) Equity share of BRL 1 each fully paid up		
KPIT Technologies GK	18.08	18.08
A wholly owned subsidiary company incorporated in Japan		
KPIT Technologies Holding Inc.	1,254.60	1,254.60
A wholly owned subsidiary company incorporated in USA		
17,000,000 (Previous year 17,000,000) Shares Common Stock at par value of USD 1 each		
KPIT Technologies Pte Ltd. (Refer note iii below)	-	-
A wholly owned subsidiary company incorporated in Singapore		
Nil (Previous year 1) Ordinary shares of SGD 1 each		
ThaiGerTec Company Limited	0.12	0.12
1,000 (Previous year 1,000) Shares of THB 10 each		
PathPartner Technology Private Limited (Refer note 46)	1,761.84	1,761.84
893,710 (Previous year 672,100) Shares of ₹ 10 each fully paid		
KPIT Technologies GmbH	3,557.96	-
2,977,644 (Previous year Nil) Shares of EUR 1 each fully paid		
Qorix GmbH (Refer note iv below)	44.52	-
A wholly owned subsidiary company incorporated in Germany		
500,000 (Previous year Nil) Shares of EUR 1 each fully paid		
	8,091.46	**4,491.50**

Note:

(i) Liquidated with effect from 23 August 2022.

(ii) Sold an investment in PathPartner Interior Sensing Private Limited on 23 September 2022.

(iii) Striking off of KPIT Technologies Pte Ltd. is completed on 4 July 2022.

(iv) Incorporated with effect from 10 March 2023.

Notes forming part of the standalone financial statements

(Amount in ₹ million)

9 Other financial assets

(Unsecured, considered good unless otherwise stated)

	31 March 2023	31 March 2022
Fixed deposits with banks	241.41	258.70
Security deposits	79.30	90.47
Interest accrued on fixed deposits	8.44	4.05
	329.15	**353.22**

Note:

(i) Information about the Company's exposure to credit risk is disclosed in note 32.

10 Deferred tax assets (net)

	31 March 2023	31 March 2022
Deferred tax assets		
Provision for bad and doubtful debts and advances	35.11	22.67
Excess of depreciation/amortisation on property, plant and equipment and other intangible assets provided in accounts over depreciation/amortisation under income-tax law	9.35	14.83
Provision for compensated absences	24.89	16.64
Provision for gratuity	70.65	51.01
Forward contracts designated as cash flow hedges	26.00	-
MAT credit entitlement	332.76	466.16
Others	62.89	78.18
	561.65	**649.49**
Deferred tax liabilities		
Forward contracts designated as cash flow hedges	-	30.68
Others	4.77	19.86
	4.77	**50.54**
Net deferred tax asset	**556.88**	**598.95**

11 Other non-current assets

(Unsecured, considered good unless otherwise stated)

	31 March 2023	31 March 2022
Capital advances	5.89	4.33
Prepaid expenses	2.09	1.34
	7.98	**5.67**

Notes forming part of the standalone financial statements

(Amount in ₹ million)

12 Current investments

(Quoted)

	31 March 2023	31 March 2022
Investments measured at fair value through profit or loss		
Mutual fund units (Refer note i below)	331.11	974.36
Shares of Birlasoft Limited held by KPIT Employee Welfare Trust	20.70	30.13
	351.81	**1,004.49**

Note:

(i) Details of investment in mutual fund units

Particulars	31 March 2023		31 March 2022	
	Units	Amount	Units	Amount
Axis Overnight Fund - Regular Growth	144,293.89	170.66	-	-
ICICI Prudential Money Market Fund - Growth	-	-	345,508.27	105.12
NIPPON India Money Market Fund - Growth plan growth option	-	-	42,750.38	141.99
UTI Money Market Fund - Regular Growth Plan	-	-	100,397.33	247.72
Aditya Birla Sun Life Liquid Fund - Growth - Regular Plan	50,005.26	60.31	268,462.97	91.39
DSP Overnight Fund - Growth - Regular plan	83,703,972.00	100.14	-	-
Kotak Money Market Fund - Growth - Regular plan	-	-	31,918.21	114.92
L&T Liquid Fund - Regular Growth	-	-	49,010.18	142.14
Mirae Asset Cash Management Fund - Regular Plan Growth	-	-	59,142.65	131.08
Total investment in mutual fund units		**331.11**		**974.36**

(ii) The details of aggregate value of quoted investments are disclosed in note 32.

13 Trade receivables

(Unsecured)

	31 March 2023	31 March 2022
Trade receivables - billed		
Trade receivables considered good	3,554.64	2,331.66
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	134.38	81.47
	3,689.02	2,413.13
Less: Allowances for bad and doubtful trade receivables	134.38	81.47
Total trade receivables - billed	**3,554.64**	**2,331.66**
Trade receivables - unbilled	690.58	328.96
	4,245.22	**2,660.62**

Notes forming part of the standalone financial statements

(Amount in ₹ million)

Trade receivables ageing schedule as at 31 March 2023

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	2,975.50	579.14	-	-	-	-	3,554.64
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	76.79	53.88	3.71	-	-	134.38
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	2,975.50	**655.93**	**53.88**	**3.71**	**-**	**-**	**3,689.02**
Less: Allowances for bad and doubtful trade receivables - billed							134.38
							3,554.64
Trade receivables - unbilled (Refer note ii below)							690.58
							4,245.22

Trade receivables ageing schedule as at 31 March 2022

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	1,921.85	409.81	-	-	-	-	2,331.66
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	41.52	26.82	6.69	5.88	0.56	81.47
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	1,921.85	**451.33**	**26.82**	**6.69**	**5.88**	**0.56**	**2,413.13**
Less: Allowances for bad and doubtful trade receivables - billed							81.47
							2,331.66
Trade receivables - unbilled (Refer note ii below)							328.96
							2,660.62

Note:

(i) Trade receivables from related parties are disclosed in note 41.

(ii) Unbilled revenue is not outstanding for more than 90 days.

(iii) Information about the Company's exposure to credit risk and market risk is disclosed in note 32.

Notes forming part of the standalone financial statements

(Amount in ₹ million)

14 Cash and cash equivalents

	31 March 2023	31 March 2022
Cash on hand	0.01	0.04
Balances with banks		
In current accounts	320.12	269.54
In deposit accounts with original maturity of 3 months or less	392.92	188.99
	713.05	**458.57**

Note:

(i) Information about the Company's exposure to credit risk, liquidity risk and market risk is disclosed in note 32.

15 Other balances with banks

	31 March 2023	31 March 2022
Balances with banks		
In unclaimed dividend accounts	3.17	1.73
In deposit accounts with remaining maturity of less than 12 months (Refer note i below)	233.37	4,021.09
	236.54	**4,022.82**

Note:

(i) It includes earmarked balance amounting to ₹ 175 million.

(ii) Information about the Company's exposure to credit risk, liquidity risk and market risk is disclosed in note 32.

16 Other current financial assets

(Unsecured, considered good unless otherwise stated)

	31 March 2023	31 March 2022
Interest accrued on fixed deposits	10.07	86.99
Security deposits	5.45	0.03
Forward contracts designated as cash flow hedges (Refer note 32.3)	-	87.80
Receivable from related parties (Refer note 41)	35.34	7.41
Other receivables	135.09	83.83
	185.95	**266.06**

Note:

(i) Information about the Company's exposure credit risk and market risk is disclosed in note 32.

17 Other current assets

(Unsecured, considered good unless otherwise stated)

	31 March 2023	31 March 2022
Advance to suppliers	14.26	26.46
Employee advances		
Considered good	32.87	22.79
Considered doubtful	26.05	6.75
	58.92	29.54
Less: Provision for doubtful advances	26.05	6.75
	32.87	22.79
Balances with statutory authorities	23.51	29.82
Contract assets (Refer note 33)	14.52	43.15
Prepaid expenses	160.81	117.42
	245.97	**239.64**

Notes forming part of the standalone financial statements

(Amount in ₹ million)

18 Equity share capital

	31 March 2023	31 March 2022
Authorised:		
450,000,000 (Previous year 450,000,000) equity shares of ₹ 10 each.	4,500.00	4,500.00
	4,500.00	**4,500.00**
Issued subscribed and fully paid up:		
270,346,390 (Previous year 270,016,575) equity shares of ₹ 10 each fully paid up	2,703.46	2,700.17
	2,703.46	**2,700.17**

18.1 The Company has only one class of shares referred to as equity shares having a par value of ₹ 10. Each shareholder of equity shares is entitled to one vote per share.

18.2 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.

18.3 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares outstanding at the beginning of the year	270,016,575	2,700	269,043,560	2,690.44
Add: Shares issued on exercise of employee stock options	737,315	7.37	973,015	9.73
Less: Shares purchased from secondary market towards the grant of new stock options	407,500	4.08	-	-
Equity shares outstanding at the end of the year	**270,346,390**	**2,703.46**	**270,016,575**	**2,700.17**

18.4 Number of equity shares held by each shareholder holding more than 5% shares in the Company are as follows:

Name of the shareholder	Number of shares as at 31 March 2023	% of shares held	Number of shares as at 31 March 2022	% of shares held
Proficient Finstock LLP	88,861,500	32.41%	88,861,500	32.41%

18.5 Shareholding of promoters

Name of the promoter	Number of shares as at 31 March 2023	% of shares held	Percentage change during the year ended on 31 March 2023
Mr. S. B. (Ravi) Pandit	989,306	0.36%	0.00%
Ms. Nirmala Pandit	239,000	0.09%	0.00%
Mr. Chinmay Pandit	38,620	0.01%	0.00%
Mr. Kishor Patil	13,345,605	4.87%	0.00%
Ms. Anupama Patil	116,330	0.04%	-0.55%
Mr. Shrikrishna Patwardhan	1,100,000	0.40%	0.00%
Mr. Ajay Shridhar Bhagwat	2,455,800	0.90%	-0.06%

Notes forming part of the standalone financial statements

(Amount in ₹ million)

Name of the promoter	Number of shares as at 31 March 2023	% of shares held	Percentage change during the year ended on 31 March 2023
Ms. Ashwini Ajay Bhagwat jointly held with Mr. Ajay Bhagwat	43,300	0.02%	0.00%
Mr. Sachin Dattatraya Tikekar	741,150	0.27%	0.00%
Ms. Hemalata A Shende	20,000	0.01%	0.00%
Proficient Finstock LLP	88,861,500	32.41%	0.00%
K and P Management Services Private Limited	300,910	0.11%	0.00%

18.6 Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date - Nil (Previous year Nil).

18.7 Dividend

The Company declares and pays dividends in Indian rupees.

Cash dividends on equity shares declared and paid:

Particulars	31 March 2023	31 March 2022
Final dividend for the year ended on 31 March 2022: ₹ 1.85 per share (Previous year ₹ 1.50 per share)	499.83	403.91
Interim dividend for the year ended on 31 March 2023: ₹ 1.45 per share (Previous year ₹ 1.25 per share)	391.80	337.39
Total dividend paid	**891.63**	**741.30**

Proposed dividend:

The Board of Directors at its meeting held on 26 April 2023, has recommended a final dividend of ₹ 2.65 per equity share for the year ended 31 March 2023, which is subject to the approval of shareholders at the Annual General Meeting.

18.8 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.

19 Non-current borrowings

	31 March 2023	31 March 2022
Term loans		
From banks (secured) (Refer note i and ii below)	2.26	5.52
From institution other than banks (unsecured) (Refer note iii below)	-	13.13
	2.26	**18.65**

Notes:

(i) Term loans from bank includes a loan secured against fixed assets obtained under the loan arrangement. The loan carries interest upto 8.60 % p.a. and is repayable in equated monthly installments of H 0.15 million each upto July 2025.

(ii) Term loans from bank includes a loan secured against fixed assets obtained under the loan arrangement. The loan carries interest upto 8.70 % p.a. and is repayable in equated monthly installments of H 0.22 million each upto November 2023.

(iii) Term loan from institution other than banks consist of unsecured loan, carrying interest rate of 3% p.a. The loan is fully repaid during the current year.

(iv) Information about the Company's exposure to market risk and liquidity risk is disclosed in note 32.

Notes forming part of the standalone financial statements

(Amount in ₹ million)

20 Other non-current financial liabilities

	31 March 2023	31 March 2022
Accrued employee costs	93.17	244.64
Contractual obligation - towards acquisition of balance non-controlling stake (Refer note 46)	-	482.96
	93.17	**727.60**

Note:

(i) Information about the Company's exposure to liquidity risk is disclosed in note 32.

21 Non-current provisions

	31 March 2023	31 March 2022
Provision for employee benefits		
Compensated absences	84.92	56.82
Gratuity (Refer note 34)	232.43	145.65
	317.35	**202.47**

22 Current borrowings

	31 March 2023	31 March 2022
Current maturities of long term borrowings (Refer note i below)		
From banks (secured)	3.81	4.37
From institution other than banks (unsecured)	-	2.78
	3.81	**7.15**

Note:

(i) Refer note 19 for the details of security and repayment terms.

(ii) Information about the Company's exposure to market risk and liquidity risk is disclosed in note 32.

23 Trade payables

Trade payables ageing schedule

Particulars	Unbilled/ Not due	Outstanding for following periods from the transaction date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2023						
MSME	-	3.14	-	-	-	3.14
Others	410.73	92.41	1.33	-	2.28	506.75
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	410.73	**95.55**	**1.33**	**-**	**2.28**	**509.89**
As at 31 March 2022						
MSME	-	4.32	0.06	-	-	4.38
Others	472.19	92.34	0.90	1.00	8.41	574.84
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	472.19	**96.66**	**0.96**	**1.00**	**8.41**	**579.22**

Note:

(i) Information on MSME is disclosed in note 40.

(ii) Information about the Company's exposure to liquidity risk is disclosed in note 32.

Notes forming part of the standalone financial statements

(Amount in ₹ million)

24 Other current financial liabilities

	31 March 2023	31 March 2022
Purchase consideration payable		
PathPartner Technology Private Limited	176.07	263.96
Contractual obligation - towards acquisition of balance non-controlling stake (Refer note 46)	516.33	418.49
Accrued employee costs	527.53	720.30
Unclaimed dividends	3.16	1.73
Capital creditors	60.04	37.21
Forward contracts designated as cash flow hedges (Refer note 32.3)	74.42	-
Payable to related parties (Refer note 41)	108.88	3.92
Others	27.29	33.95
	1,493.72	**1,479.56**

Note:

(i) Information about the Company's exposure to market risk and liquidity risk is disclosed in note 32.

25 Other current liabilities

	31 March 2023	31 March 2022
Unearned revenue (Refer note 33)	816.04	686.82
Advance received from customers	16.19	-
Statutory liabilities	217.31	118.41
Advance from related parties (Refer note 41)	-	43.37
	1,049.54	**848.60**

26 Current provisions

	31 March 2023	31 March 2022
Provision for employee benefits		
Compensated absences	25.17	16.55
Gratuity (Refer note 34)	80.00	80.00
Other provisions		
Provision for warranty (Refer note 39.1)	169.35	123.10
Provision for claims (Refer note 39.2)	-	175.00
	274.52	**394.65**

27 Revenue from operations (Refer note 33)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Software services	15,148.04	11,800.39
Sale of products		
Finished goods	16.25	9.49
	15,164.29	**11,809.88**

Notes forming part of the standalone financial statements

(Amount in ₹ million)

28 Other income

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income (Refer note i below)	120.89	189.85
Dividend income (Refer note ii below)	1.41	329.89
Net gain on disposal of property, plant and equipment	6.70	-
Net foreign exchange gain	186.41	169.44
Net unrealised gain on investments carried at fair value through profit or loss (Refer note iii below)	-	50.67
Other non operating income (net of expenses directly attributable to such income) (including miscellaneous income)	108.15	32.87
	423.56	**772.72**

Note:

(i) Interest income from related parties are disclosed in note 41.

(ii) This represents the dividend income of:

a. H 1.41 million (Previous year H 2.67 million) on shares in Birlasoft Limited, held by KPIT Employee Welfare Trust.

b. ₹ Nil million (Previous year ₹ 327.22) from subsidiaries.

(iii) This represents the gain on fair valuation of:

a. shares in Birlasoft Limited, held by KPIT Employee Welfare Trust;

b. investment in mutual funds units.

29 Employee benefits expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and incentives	8,435.20	6,759.35
Contributions to provident fund	335.77	218.51
Share based compensation to employees (Refer note 35)	60.12	51.61
Staff welfare expenses	42.23	18.61
	8,873.32	**7,048.08**

30 Finance costs

	For the year ended 31 March 2023	For the year ended 31 March 2022
Finance cost on lease liabilities (Refer note 38)	57.88	56.18
Other interest expense	88.91	52.38
	146.79	**108.56**

31 Other expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
Travel expenses (net)	259.77	62.94
Cost of service delivery (net)	259.65	254.33
Cost of professional sub-contracting (net)	311.33	137.50
Recruitment and training expenses	162.21	77.53
Power and fuel	58.35	48.54
Rent (short-term and low value leases) (Refer note 38)	16.35	1.70

Notes forming part of the standalone financial statements

(Amount in ₹ million)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Repairs and maintenance	161.40	233.05
Insurance	107.54	59.51
Rates & taxes	16.45	166.85
Communication expenses (net)	45.20	42.56
Legal and professional fees	143.41	183.45
Marketing expenses	60.50	17.06
Property, plant and equipments and other intangible assets written off	4.96	107.78
Auditor's remuneration (net of taxes)		
Audit fees	5.90	5.40
Limited review of quarterly results	2.10	2.10
Fees for other services	0.70	0.56
Out of pocket expenses reimbursed	0.25	-
Bad debts written off	7.18	52.89
Allowances for doubtful trade receivables and advances (net)	38.91	(117.24)
Provision for warranty (Refer note 39.1)	46.25	79.88
Contributions towards corporate social responsibility (Refer note 47)	41.86	38.22
Net unrealised loss on investments carried at fair value through profit or loss (Refer note ii below)	25.68	-
Miscellaneous expenses (net)	231.09	389.87
	2,007.04	**1,844.48**

Note:

(i) Certain expenses are net of recoveries/reimbursements from customers.

(ii) This represents the loss on fair valuation of:

a. shares in Birlasoft Limited, held by KPIT Employee Welfare Trust;

b. investment in mutual funds units.

32 Financial Instruments

32.1 Financial Instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2023 are as follows:

Particulars	Amortised cost	Fair value through profit or loss (FVTPL)	Fair value through OCI	Total carrying value	Total fair value
Financial assets					
Investments (other than in subsidiary, joint venture and associate)	-	351.81	-	351.81	351.81
Trade receivables - billed	3,554.64	-	-	3,554.64	3,554.64
Trade receivables - unbilled	690.58	-	-	690.58	690.58
Cash and cash equivalents	713.05	-	-	713.05	713.05
Other balances with banks	236.54	-	-	236.54	236.54
Other financial assets	515.10	-	-	515.10	515.10
Total financial assets	**5,709.91**	**351.81**	**-**	**6,061.72**	**6,061.72**

Notes forming part of the standalone financial statements

(Amount in ₹ million)

Financial liabilities					
Borrowings	6.07	-	-	6.07	6.07
Trade payables	509.89	-	-	509.89	509.89
Lease liabilities	561.31	-	-	561.31	561.31
Other financial liabilities	1,512.47	-	74.42	1,586.89	1,586.89
Total financial liabilities	**2,589.74**	**-**	**74.42**	**2,664.16**	**2,664.16**

The carrying value and fair value of financial instruments by categories as at 31 March 2022 were as follows:

Particulars	Amortised cost	Fair value through profit or loss (FVTPL)	Fair value through OCI	Total carrying value	Total fair value
Financial assets					
Investments (other than in subsidiary, joint venture and associate)	-	1,004.49	-	1,004.49	1,004.49
Trade receivables - billed	2,331.66	-	-	2,331.66	2,331.66
Trade receivables - unbilled	328.96	-	-	328.96	328.96
Cash and cash equivalents	458.57	-	-	458.57	458.57
Other balances with banks	4,022.82	-	-	4,022.82	4,022.82
Other financial assets	531.48	-	87.80	619.28	619.28
Total financial assets	**7,673.49**	**1,004.49**	**87.80**	**8,765.78**	**8,765.78**
Financial liabilities					
Borrowings	25.80	-	-	25.80	25.80
Trade payables	579.22	-	-	579.22	579.22
Lease liabilities	795.01	-	-	795.01	795.01
Other financial liabilities	2,207.16	-	-	2,207.16	2,207.16
Total financial liabilities	**3,607.19**	**-**	**-**	**3,607.19**	**3,607.19**

32.2 Fair value hierarchy

Financial assets and liabilities include investments (other than in subsidiary, joint venture and associate), cash and cash equivalents, other balances with banks, trade receivables (billed and unbilled), loans, 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 amount, as lease liabilities are valued using discounted cash flow method. Except for quoted investments, which are Level 1, rest of the financial assets and financial liabilities are classified as Level 2 or Level 3.

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).

Notes forming part of the standalone financial statements

(Amount in ₹ million)

The following table presents fair value hierarchy of financial assets and liabilities as at 31 March 2023:

Particulars	As at 31 March 2023	Fair value measurement		
		Level 1	Level 2	Level 3
Financial assets				
Investment in shares of Birlasoft Limited	20.70	20.70	-	-
Investments in mutual fund units	331.11	331.11	-	-
Financial liability				
Forward contracts designated as cash flow hedge	74.42	-	74.42	-

The following table presents fair value hierarchy of assets and liabilities as at 31 March 2022:

Particulars	As at 31 March 2022	Fair value measurement		
		Level 1	Level 2	Level 3
Financial assets				
Forward contracts designated as cash flow hedge	87.80	-	87.80	-
Investment in shares of Birlasoft Limited	30.13	30.13	-	-
Investments in mutual fund units	974.36	974.36	-	-

A percentage change in the significant unobservable inputs used in the fair valuation of Level 3 assets and liabilities does not have a significant impact on its value.

32.3 Financial risk management

The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, 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:

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 billed trade receivables from customers amounting to ₹ 3,554.64 million and ₹ 2,331.66 million and unbilled trade receivables amounting to ₹ 690.58 million and ₹ 328.96 million and other current financial assets pertaining to receivable from related and other than related parties amounting to ₹ 170.43 million and ₹ 91.24 million as on 31 March 2023 and 31 March 2022 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.

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.

Notes forming part of the standalone financial statements

(Amount in ₹ million)

ii. Impairment

Movement in the allowance for impairment in respect of trade and other receivables:

Particulars	31 March 2023	31 March 2022
Balance at the beginning of the year	81.47	198.71
Impairment during the year	150.35	224.45
Reversal of impairment on account of collection	(88.53)	(288.71)
Utilisation of allowance	(8.91)	(52.98)
Balance at the end of the year	**134.38**	**81.47**

Refer note 13 for ageing of trade receivables

iii. Cash and bank balances

The Company held cash and bank balances of ₹ 949.59 million and ₹ 4,481.39 million as at 31 March 2023 and 31 March 2022 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 in routine course of business and on behalf of subsidiaries/joint ventures.

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 2023	31 March 2022
Cash and cash equivalents	713.05	458.57
Other balances with banks	236.54	4,022.82
Fixed deposits with banks (non-current portion) including interest accrued	259.92	349.74
Investment in mutual fund units	331.11	974.36
Total	**1,540.62**	**5,805.49**

The following are the remaining contractual maturities of financial liabilities as at 31 March 2023:

Particulars	Carrying value	Gross cash outflow	Upto 1 year	2-3 years	4-5 years	> 5 years
Borrowings	6.07	6.07	3.81	2.26	-	-
Trade payables	509.89	509.89	509.89	-	-	-
Other financial liabilities	1,586.89	1,586.89	1,493.72	93.17	-	-

Notes forming part of the standalone financial statements

(Amount in ₹ million)

The following are the remaining contractual maturities of financial liabilities as at 31 March 2022:

Particulars	Carrying value	Gross cash outflow	Upto 1 year	2-3 years	4-5 years	> 5 years
Borrowings	25.80	29.63	8.94	9.87	4.86	5.96
Trade payables	579.22	579.22	579.22	-	-	-
Other financial liabilities	2,207.16	2,301.30	1,479.56	821.74	-	-

Refer note 38 for the contractual maturities of lease liabilities.

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 90% 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.

Exposure to Currency Risk

The below figures are INR equivalent amounts of foreign currency.

The following is the Company's exposure to currency risk from financial instruments as at 31 March 2023:

Particulars	US Dollars	Euros	Pound Sterling	Other currencies	Total
Trade receivables (including unbilled)	2,105.12	1,000.99	155.66	558.53	3,820.30
Other financial assets	-	19.26	1.86	5.21	26.33
Trade payables	(8.85)	(17.25)	(1.33)	(2.43)	(29.86)
Other financial liabilities	(116.41)	-	-	(0.78)	(117.19)
Net assets/(liabilities)	**1,979.86**	**1,003.00**	**156.19**	**560.53**	**3,699.58**

The following is the Company's exposure to currency risk from financial instruments as at 31 March 2022:

Particulars	US Dollars	Euros	Pound Sterling	Other currencies	Total
Trade receivables (including unbilled)	841.85	882.93	118.80	397.21	2,240.79
Other financial assets	0.50	41.65	3.71	-	45.86
Trade payables	(5.12)	(4.18)	(2.33)	(1.82)	(13.45)
Other financial liabilities	(8.76)	-	(1.37)	(48.42)	(58.55)
Net assets/(liabilities)	**828.47**	**920.40**	**118.81**	**346.97**	**2,214.65**

Notes forming part of the standalone financial statements

(Amount in ₹ million)

The above figures exclude amounts in local currency of foreign subsidiaries.

For the period ended 31 March 2023, every 1% appreciation/depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately 0.86%/0.86%.

For the period ended 31 March 2022, every 1% appreciation/depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately 0.76%/0.76%.

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.

The following are the outstanding EUR/USD/GBP: INR Currency Exchange Contracts entered into by the Company which has been designated as Cash Flow Hedges:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Foreign Currency (million)	₹ (million)	Foreign Currency (million)	₹ (million)
EUR	24.65	2,208.83	11.75	994.75
USD	45.94	3,777.04	34.62	2,624.44
JPY	2,469.00	1,525.84	-	-
GBP	6.00	611.24	4.57	454.95

The forward contracts have maturity between 30 days to 11 months from 31 March 2023.

The movement in the hedging reserve for derivatives, which have been designated as Cash Flow Hedges, is as follows:

Particulars	31 March 2023	31 March 2022
Balance at the beginning of the year	57.12	44.67
Gains on changes in fair value of foreign exchange contracts recognised in other comprehensive income	(74.41)	87.80
Deferred tax on fair value of effective portion of cash flow hedges	56.68	(6.68)
Amounts reclassified to the statement of profit and loss	(87.80)	(68.67)
Balance at the end of the year	**(48.41)**	**57.12**

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 investments and borrowings are fixed interest rate bearing instruments. Therefore, the Company is not exposed to interest rate risk.

33 Revenue from operations

Disaggregate revenue information

The Company disaggregates revenue from contract with customers by geography and contract type.

The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty

Notes forming part of the standalone financial statements

(Amount in ₹ million)

of revenues and cash flows are affected by industry, market and other economic factors.

A Revenue disaggregation by geography is as follows:

Geographical segments	31 March 2023	31 March 2022
Americas	6,004.16	4,722.49
UK & Europe	4,955.74	3,347.06
Rest of World	4,204.39	3,740.33
Total	**15,164.29**	**11,809.88**

B Revenue disaggregation by contract type is as follows:

Contract Type	31 March 2023	31 March 2022
Time & Material (T&M) and Cap T&M projects	8,334.35	5,373.20
Fixed price projects	6,184.02	5,949.82
License projects	226.13	161.51
Sale from manufacturing unit/ product sale	15.84	9.16
Others	403.95	316.19
Total	**15,164.29**	**11,809.88**

Movement in contract assets (unbilled revenue)

Particulars	31 March 2023	31 March 2022
Balance at the beginning of the year	43.15	12.61
Revenue recognised during the year	14.52	43.15
Invoicing during the year	(38.51)	(7.54)
Reversals during the year	(4.64)	(5.07)
Balance at the end of the year	**14.52**	**43.15**

Movement in contract liabilities (unearned revenue)

Particulars	31 March 2023	31 March 2022
Balance at the beginning of the year	686.82	650.08
Invoiced during the period but not recognised as revenue	758.74	636.25
Revenue recognised during the year	(629.52)	(599.51)
Balance at the end of the year	**816.04**	**686.82**

Reconciliation of revenue recognised with the contracted price

Particulars	31 March 2023	31 March 2022
Contracted price	15,165.21	11,840.14
Reductions towards variable consideration components	(0.92)	(30.26)
Revenue recognised	**15,164.29**	**11,809.88**

The reduction towards variable consideration comprises of volume discounts, service level credits, etc.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the company expects to recognize these amounts in revenue.

Applying the practical expedient as given in Ind AS 115, the company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligations estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

Notes forming part of the standalone financial statements

(Amount in ₹ million)

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2023, other than those meeting the exclusion criteria mentioned above, is ₹ 1,660.00 million. Out of this, the Company expects to recognize revenue of around 88% within the next one year. This includes contracts that can be terminated for convenience without a substantive penalty, since based on current assessment, the occurrence of the same is expected to be remote.

34 Gratuity

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.

The Company's gratuity scheme is a defined benefit plan (funded). The Company manages the plan through a trust. Trustees administer contributions made to the trust.

Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Present value of defined benefit obligation at the beginning of the year	410.64	322.28
Current service cost	63.54	46.85
Interest cost	27.45	20.17
Actuarial loss/(gain) recognised in other comprehensive income		
a) changes in demographic assumptions	-	(0.04)
b) changes in financial assumptions	(15.35)	(8.29)
c) experience adjustments	99.10	81.71
Benefits paid	(50.22)	(52.04)
Present value of defined benefit obligation at the end of the year	535.16	410.64

Changes in the fair value of the plan assets representing reconciliation of opening and closing balances thereof are as follows :

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Fair value of plan assets at the beginning of the year	184.99	166.20
Interest income	12.33	10.40
Employer contribution	80.26	50.00
Benefits paid	(50.22)	(38.03)
Return on plan assets, excluding interest income	(4.63)	(3.58)
Fair value of plan assets at the end of the year	222.73	184.99

Amount recognised in the Balance Sheet	For the year ended 31 March 2023	For the year ended 31 March 2022
Present value of obligation as at the end of the year	535.16	410.64
Fair value of plan assets at the end of the year	222.73	184.99
Funded status ((surplus)/deficit)	312.43	225.65
Net defined benefit obligation	312.43	225.65

Notes forming part of the standalone financial statements

(Amount in ₹ million)

Expenses recognized in the Statement of Profit and Loss	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	63.54	46.85
Interest cost net of interest income on plan assets	15.12	9.77
Expenses recognized in the Statement of Profit and Loss	78.66	56.62

Expenses recognized in the Other Comprehensive Income (OCI)	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial loss/(gain)	83.75	73.38
Return on plan assets, excluding interest income	(4.63)	(3.58)
Net (income)/expense recognized in the OCI	88.38	76.96

Category of Assets	For the year ended 31 March 2023	For the year ended 31 March 2022
Insurance fund	222.73	184.99

Actuarial assumptions	For the year ended 31 March 2023	For the year ended 31 March 2022
Expected return on plan assets	7.35%	6.70%
Discount rate	7.35%	6.70%
Salary Escalation	5.00%	5.00%
Attrition Rate	15.00%	15.00%

a. 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.

b. Salary Escalation Rate: The estimates of future salary increases takes into account the inflation, seniority, promotion and other relevant factors.

c. Assumptions regarding future mortality rates are the rates as given under Indian Assured Lives Mortality 2012-12 (Urban).

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	As at 31 March 2023		As at 31 March 2022	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (1 % movement)	(21.77)	24.04	(17.52)	19.40
Future salary growth (1 % movement)	24.36	(22.44)	19.53	(17.96)
Attrition rate (1 % movement)	0.95	(1.25)	0.24	(0.42)

Notes forming part of the standalone financial statements

(Amount in ₹ million)

Weighted average assumptions used to determine net periodic benefit cost:

Particulars	31 March 2023	31 March 2022
Number of active members	8,542	6,840
Per month salary cost for all active members (₹ million)	277.50	185.83
Weighted average duration of the projected benefit obligation (years)	6.00	6.00
Average expected future service (years)	6.00	6.00
Projected benefit obligation (₹ million)	541.57	411.61
Prescribed contribution for next year (12 months) (₹ million)	80.00	80.00

Maturity profile of defined benefit plan:

Projected benefits payable in future years from the date of reporting	31 March 2023	31 March 2022
Within 1 year	109.10	75.78
1-2 year	69.52	51.57
2-3 year	64.46	51.64
3-4 year	61.82	47.72
4-5 year	57.89	44.64
5-10 years	217.73	162.81
Thereafter	215.64	161.13

35 Share based payments

35.1 Employee Stock Option Scheme - 2019

In accordance with the terms of the approved Composite Scheme, KPIT Engineering Limited (now known as KPIT Technologies limited) ("Resulting Company") had issued the stock options to the employees holding options of the KPIT Technologies Limited (now known as BirlaSoft Limited) ("Transferee Company" or "Demerged Company") as at the appointed date. The options issued consisted of:

i. 1,807,450 options of the Transferee Company ("Birlasoft options"), equivalent to the number of options outstanding as at the appointed date;

ii. 1,807,450 options of the Resulting Company ("KPIT options"), in the ratio of 1:1 for every outstanding stock options held by the employees in the Transferee Company.

The Board of Directors of the Company approved the Employees Stock Option Scheme at their meeting held on 15 May 2019. Pursuant to this approval, the Company instituted ESOS 2019 in May 2019. The compensation committee of the Company administers this Plan. Each type of option carries with it the right to purchase one equity share of the Demerged Company or the Resulting Company as the case may be. In terms of clause 18.5 of the Composite Scheme, the stock options had been granted at an exercise price which was the pre-demerger exercise price suitably adjusted in the manner of share exchange ratio. Further, as per the Composite Scheme, the Company had taken into account the vesting period completed, under the plan in the Demerged Company, prior to the grant of options to the employee under the ESOS 2019. The maximum exercise period is 5 years from the date of vesting.

The outstanding stock options held by employees of the Demerged Company as at 31 March 2023 are 85,300 and 94,200 of Birlasoft options and KPIT options respectively. The employee compensation cost for such employees is not eligible for recognition in the books of the Company.

The number of outstanding Birlasoft options held by employees of the Company as at 31 March 2023 are 88,700. The Company recorded an employee compensation cost of ₹ Nil (Previous year ₹ Nil) in this respect in the Statement of Profit and Loss.

Notes forming part of the standalone financial statements

(Amount in ₹ million)

Below are the details pertaining to the KPIT options held by employees of the Company:

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year:

Particulars	FY 2022-23		FY 2021-22	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	210,300	45.75	486,205	45.19
Forfeited/surrendered during the year	2,800	44.96	4,300	44.96
Exercised during the year	84,600	44.96	269,505	44.76
Lapsed during the year	2,100	44.96	2,100	44.96
Options outstanding at the end of the year	120,800	45.75	210,300	45.75
Options exercisable at the end of the year	120,800	45.75	210,300	45.75

The weighted average share price of the options exercised under Employees Stock Option Scheme -2019 on the date of exercise during the year was ₹ 75.60.

The weighted average remaining contractual life are as follows:

Range of Exercise Price	FY 2022-23		FY 2021-22	
	Weighted average contractual life (years)	No. of options outstanding	Weighted average contractual life (years)	No. of options outstanding
₹ 0 to ₹ 50	0.30	100,800	0.89	190,300
₹ 50 to ₹ 100	2.07	20,000	3.07	20,000

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model.

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.

35.2 Employee Stock Option Scheme – 2019A

The Board of Directors and the shareholders of the Company approved another Employee Stock Option Scheme at their meetings held on 17 June 2019 and on 23 July 2019, respectively. Pursuant to this approval, the Company instituted ESOS 2019A in July 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 approved under this scheme are 3,793,923.

The options had been originally granted to employees of the Company and its subsidiaries at an exercise price equivalent to the fair market price of the Company's share as on the date of grant of options. The Nomination and Remuneration Committee of the Board of Directors of the Company, in its meeting held on 30 July 2020 approved the modification in the exercise price of the options granted. The exercise price is modified to ₹ 10 per option.

The options would vest not earlier than statutory minimum vesting period of 1 year and up to the maximum period of 4 years from the date of grant of options or such period as may be decided by the Committee at the time of each grant of options. The exact proportion in which and the exact period over which the options would vest would be determined by the Committee, subject to the minimum vesting period of 1 year from the date of grant of options. The maximum exercise period is 5 years from the date of vesting.

Notes forming part of the standalone financial statements

(Amount in ₹ million)

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year:

Particulars	FY 2022-23		FY 2021-22	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	3,130,440	10.00	3,707,000	10.00
Options granted during the year	241,250	10.00	250,500	10.00
Forfeited/surrendered during the year	161,500	10.00	363,050	10.00
Exercised during the year	496,665	10.00	464,010	10.00
Lapsed during the year	2,700	10.00	-	-
Options outstanding at the end of the year	2,710,825	10.00	3,130,440	10.00
Options exercisable at the end of the year	112,925	10.00	593,790	10.00

The weighted average share price of the options exercised under Employees Stock Option Scheme - 2019A on the date of exercise during the year was ₹ 536.23.

The weighted average remaining contractual life are as follows:

Range of exercise price	FY 2022-23		FY 2021-22	
	Weighted average contractual life (years)	No. of options outstanding	Weighted average contractual life (years)	No. of options outstanding
₹ 0 to ₹ 50	4.93	2,710,825	5.66	3,130,440

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	FY 2022-23	FY 2021-22
1. Exercise price (₹)	10.00	10.00
2. Price of the underlying share in market at the time of the option grant (₹)	595.07	488.68
3. Weighted average fair value of options granted (₹)	536.23	474.99
4. Expected life of the option (years)	3.76	3.76
5. Risk free interest rate (%)	7.00	5.00
6. Expected volatility (%)	48.69	50.13
7. Dividend yield (%)	0.53	0.36

The Company recorded an employee compensation cost of ₹ 60.12 million (Previous year ₹ 51.61 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.

35.3 Employee Share Purchase Scheme – 2019

The Board of Directors and the shareholders of the Company approved Employee Share Purchase Scheme at their meeting on 17 June 2019 and on 23 July 2019, respectively. Pursuant to this approval, the Company instituted ESPS 2019 in July 2019. The compensation committee of the Company administers this Plan. The shares approved under this scheme are 40,000 equity shares. The shares have been granted to employees of the Company and its subsidiaries at a price not less than the face value per share of the Company at the time of the offer.

Notes forming part of the standalone financial statements

(Amount in ₹ million)

Number and offer prices of shares granted, exercised and cancelled/lapsed during the financial year:

Particulars	FY 2022-23		FY 2021-22	
	No. of shares	Weighted average offer price	No. of shares	Weighted average offer price
Shares outstanding at the beginning of the year	25	10.00	19,955	10.00
Shares granted during the year	-	10.00	-	10.00
Exercised during the year	25	10.00	2,935	10.00
Cancelled during the year	-	10.00	16,995	10.00
Shares outstanding at the end of the year	-	10.00	25	10.00

The Company recorded an employee compensation cost of ₹ Nil million (Previous year ₹ Nil million) in the Statement of Profit and Loss.

36 Income taxes

The income tax expense consists of following:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Tax expense		
Current tax	857.68	511.53
Deferred tax (benefit)/charge	(3.76)	(127.01)
Total tax expense	**853.92**	**384.52**

The net charge relating to temporary differences during the year ended 31 March 2023 is primarily on account of property, plant & equipment, leases, gratuity and leave encashment.

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	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	3,655.53	2,765.72
Indian statutory income tax rate	34.944%	34.944%
Expected income tax expense	1,277.39	966.45
Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Effect of income tax exemption/tax holiday	(637.09)	(584.31)
Effect of permanent adjustments	133.82	(51.97)
Effect of unrecognized deferred tax assets	4.99	-
Others (net)	74.81	54.35
Total tax expense	**853.92**	**384.52**

The Company benefits from the tax holiday available for units set up under the Special Economic Zone Act, 2005 (SEZ). Accordingly, units designated in SEZ are eligible for a deduction of 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. Certain tax benefits are also available for a further five years subject to the unit meeting defined conditions. The tax holiday period being currently available to the Company expires in various years through fiscal year 2027. From 1 April 2011, units set up under SEZ scheme are subject to Minimum Alternate Tax (MAT).

Notes forming part of the standalone financial statements

(Amount in ₹ million)

Deferred Tax

The gross movement in the deferred tax account :

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Net deferred tax asset at the beginning of the year	598.95	453.07
MAT credit entitlement/(utilisation) during the year	(133.40)	132.12
Credit/(charge) relating to temporary differences (net)	3.76	(5.11)
Temporary differences on other comprehensive income	87.57	18.87
Net deferred tax asset at the end of the year	556.88	598.95

The net charge relating to temporary differences during the year ended 31 March 2023 and 31 March 2022 are primarily on account of provision for bad and doubtful debts, provision for gratuity, leave encashment, leases and property, plant & equipment.

37 Basic and diluted earnings per share

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Face value per equity share (₹)	**10.00**	**10.00**
Profit for the year (₹ million)	2,801.61	2,381.20
Weighted average number of equity shares	270,123,511	269,542,125
Earnings per share – basic (₹)	**10.37**	**8.83**
Effect of dilutive potential equity shares		
Weighted average number of diluted equity shares	273,098,567	272,857,942
Earnings per share – diluted (₹)	**10.26**	**8.73**

38 Lease transactions

Company as a lessee

The Company primarily has rental office premises across multiple locations and a leasehold land.

A Refer note 4 for changes in the carrying amount of right of use assets.

B Break up of current and non-current lease liabilities

Particulars	31 March 2023	31 March 2022
Non-current lease liabilities	431.27	656.25
Current lease liabilities	130.04	138.76
Total	**561.31**	**795.01**

C Movement in lease liabilities

Particulars	31 March 2023	31 March 2022
Balance at the beginning of the year	795.01	567.03
Additions during the year	25.25	376.60
Finance cost accrued on lease liabilities	57.88	56.18
Payment of lease liabilities	188.14	198.59
Termination/modification of leases	128.69	6.21
Balance at the end of the year	**561.31**	**795.01**

Notes forming part of the standalone financial statements

(Amount in ₹ million)

D Contractual maturities of lease liabilities on an undiscounted cash flows basis

Particulars	31 March 2023	31 March 2022
Not later than one year	173.33	200.68
Later than one year and not later than five years	418.53	657.53
Later than five years	95.28	136.57
Total undiscounted lease liabilities	**687.14**	**994.78**

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.

There is no lease, that is yet to commence, to which the Company is committed.

39 Details of provisions and movements in each class of provisions as required by the Ind-AS 37 on Provisions, Contingent Liabilities and Contingent Assets

39.1 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 2023	31 March 2022
Carrying amount as at the beginning of the year	123.10	51.69
Additional provision made during the year	46.25	79.88
Provision utilised during the year	-	(8.47)
Carrying amount at the end of the year	169.35	123.10

The warranty provision is expected to be utilized over a period of one year.

39.2 Provision for claims

Provision for claims represents the cash outflows estimated by the Company against the claims made. The timing of cash outflows in respect of such provision cannot be reasonably determined. The movement in the said provision is as under:

Particulars	31 March 2023	31 March 2022
Carrying amount as at the beginning of the year	175.00	-
Additional provision made during the year	-	175.00
Reversal of provision	(75.00)	-
Provision utilised during the year	(100.00)	-
Carrying amount at the end of the year	-	175.00

39.3 Contingent liabilities

Guarantees

Particulars	31 March 2023	31 March 2022
Outstanding bank guarantees in routine course of business	21.16	12.34

39.4 Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances):

a. Property, plant and equipment - ₹ 115.89 million (Previous year ₹ 13.34 million).

b. Intangible assets - ₹ 22.64 million (Previous year ₹ 4.46 million).

Notes forming part of the standalone financial statements

(Amount in ₹ million)

40 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 2023 is ₹ 3.14 million (Previous year - ₹ 4.38 million). Estimated interest due thereon is ₹ Nil (Previous year - ₹ Nil).

b. Amount of payments made to suppliers beyond the appointed date during the year is ₹ Nil (Previous year - ₹ Nil). Interest paid thereon is ₹ Nil (Previous year - ₹ Nil) and the estimated interest due and payable thereon is ₹ Nil (Previous year - ₹ Nil).

c. The amount of estimated interest accrued and remaining unpaid as at 31 March 2023 is ₹ Nil (Previous year - ₹ Nil).

d. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006 is ₹ Nil.

41 Related party disclosures

A. Relationship between the parent and its subsidiaries

Sr. No	Name of the subsidiary	Country of Incorporation	% voting power held As at 31 March 2023
Direct subsidiaries			
1	KPIT Technologies (UK) Limited	United Kingdom	100
2	KPIT (Shanghai) Software Technology Co. Limited	China	100
3	KPIT Technologies Netherlands B.V	Netherlands	100
4	KPIT Technologies Pte Ltd. (upto 4 July 2022)(i)	Singapore	-
5	KPIT Technologies Holding Inc.	United States of America	100
6	KPIT Technologias Ltda.	Brazil	99.9
7	PathPartner Technology Private Limited (w.e.f. 1 October 2021)	India	80
8	KPIT Technologies GK	Japan	100
9	Qorix GmbH (w.e.f. 10 March 2023)	Germany	100
Indirect subsidiaries			
10	KPIT Technologies GmbH, Germany (Subsidiary of KPIT Technologies (UK) Limited)	Germany	100
11	KPIT Technologies Inc. (Subsidiary of KPIT Technologies Holding Inc.)	United States of America	100
12	MicroFuzzy Industrie-Elektronic GmbH (Subsidiary of KPIT Technologies GmbH, Germany)	Germany	100
13	PathPartner Technology Inc. (Subsidiary of PathPartner Technology Private Limited, India)	United States of America	80
14	PathPartner Technology GmbH (Subsidiary of PathPartner Technology Private Limited, India)	Germany	80
15	ThaiGerTec Co. Ltd. (Subsidiary of KPIT Technologies (UK) Limited)	Thailand	100
16	SOMIT Solutions Limited (w.e.f. 30 May 2022)	United Kingdom	100

Notes forming part of the standalone financial statements

(Amount in ₹ million)

17	SOMIT Solutions Inc (w.e.f. 30 May 2022)	United States of America	100
18	KPIT Technologies S.A.S. (w.e.f. 23 September 2022)	France	100
19	Technica Engineering GmbH (w.e.f 1 October 2022)	Germany	100
20	Technica Electronics Barcelona S.L. (w.e.f 1 October 2022)	Spain	100
21	Technica Engineering Spain S.L. (w.e.f 1 October 2022)	Spain	100
22	Technica Engineering Inc. (w.e.f 1 October 2022)	United States of America	100
Joint venture/Associate			
23	PathPartner Interior Sensing Private Limited (w.e.f. 20 September 2021 till 23 September 2022)	India	-
24	FMS Future Mobility Solutions GmbH (w.e.f. 22 September 2021)	Germany	25
25	Yantra Digital Services Private Limited (upto 23 August 2022)[(ii)]	India	-

B. List of Key Management Personnel

Key Management Personnel (KMP)	Mr. S.B.(Ravi) Pandit	Non-Executive Director
	Mr. Kishor Patil	Executive Director
	Mr. Sachin Tikekar	Executive Director
	Mr. Anup Sable	Executive Director (w.e.f. 22 December 2021)
	Mr. Chinmay Pandit	Additional and Executive Director (w.e.f. 26 July 2022)
	Mr. Anant Talaulicar	Independent Director
	Mr. B V R Subbu	Independent Director
	Prof. Alberto Sangiovanni Vincentelli	Independent Director
	Mr. Nickhil Jakatdar	Independent Director
	Ms. Shubhalakshmi Panse	Independent Director (upto 17 June 2021)
	Ms. Bhavna Doshi	Independent Director (w.e.f. 15 September 2021)
	Prof. Rajiv Lal	Independent Director (w.e.f. 1 November 2021)
	Ms. Priyamvada Hardikar	Chief Financial Officer
	Ms. Nida Deshpande	Company Secretary

Notes forming part of the standalone financial statements

(Amount in ₹ million)

C. List of other related parties with whom there are transactions:

Promoter	Mr. Ajay Bhagwat
	Ms. Ashwini Bhagwat
	Mr. Shrikrishna Patwardhan
Relative of KMP	Mr. S.B.(Ravi) Pandit (w.e.f. 26 July 2022)
	Mr. Chinmay Pandit
	Ms. Jayada Pandit
	Ms. Anupama Kishor Patil
	Ms. Hemlata Shende
	Ms. Asha Khandkar
	Mr. Ameya Mehendale
	Ms. Manasi Patil
	Ms. Nirmala Shashishekhar Pandit
Enterprise over which KMP have significant influence	KP Corporate Solutions Limited (upto 26 July 2022)
	Proficient FinStock LLP
	Kirtane & Pandit LLP
	K & P Management Services Private Limited
	Sentient Labs Private Limited
	PathPartner Technology Private Limited (w.e.f. 1 October 2021)
	KP Capital Advisors Private Limited

D. Transactions with related parties

No.	Name of related party	31 March 2023		31 March 2022	
		Amount of transactions during the year	Balance as on 31 March 2023 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2022 Debit/(Credit)
Transactions with subsidiary companies[i]					
1	**KPIT Technologies Holding Inc.**				
	Investment in equity	Nil	1,254.60	Nil	1,254.60
	Dividend received	Nil	Nil	150.00	Nil
2	**MicroFuzzy Industrie-Elektronic GmbH**				
	Sales	556.46	(107.28)	514.67	76.45
	Reimbursement revenue	46.78		48.00	
	Advance given (net)	0.61	0.59	0.84	1.45
	Reimbursement of expenses (net)	(4.61)		(4.07)	

Notes forming part of the standalone financial statements

(Amount in ₹ million)

Transactions with related parties

No.	Name of related party	31 March 2023 Amount of transactions during the year	31 March 2023 Balance as on 31 March 2023 Debit/(Credit)	31 March 2022 Amount of transactions during the year	31 March 2022 Balance as on 31 March 2022 Debit/(Credit)
3	**KPIT Technologies GmbH**				
	Sales	2,457.30	661.65	1,358.65	659.15
	Reimbursement revenue	36.77		10.57	
	Allocation of administrative support charges	125.89		86.23	
	Investment in equity	3,233.81	3,557.96	Nil	Nil
	Software service charges	Nil	(0.08)	Nil	(0.08)
	Advance given (net)	36.60	3.47	17.78	(2.60)
	Reimbursement of expenses (net)	(9.87)		(2.32)	
4	**KPIT Technologies (UK) Limited**				
	Sales	1,230.27	146.46	892.94	120.49
	Reimbursement revenue	17.43		(9.48)	
	Allocation of administrative support charges	33.86		26.61	
	Software service charges	Nil	(0.00)*	Nil	(0.00)*
	Investment in equity	Nil	1,273.72	Nil	1,273.72
	Advance given (net)	13.78	2.23	12.62	3.70
	Reimbursement of expenses (net)	0.08		0.23	
	Dividend received	Nil	Nil	100.50	Nil
	Purchase of stake in KPIT Technologies GmbH	324.16	Nil	Nil	Nil
5	**KPIT Technologies GK**				
	Sales	1,850.34	496.96	1,826.14	341.77
	Reimbursement revenue	13.67		3.11	
	Allocation of administrative support charges	29.09		15.48	
	Investment in equity	Nil	18.08	Nil	18.08
	Advance given (net)	16.82	3.99	0.07	(0.88)
	Reimbursement of expenses (net)	(1.89)		(5.35)	
	Dividend received	Nil	Nil	74.75	Nil
6	**KPIT Technologies GK (South Korea Branch)**				
	Sales	41.60	(1.48)	146.83	4.79
	Reimbursement revenue	-		(4.72)	
	Advance given (net)	-	(0.24)	0.70	0.38
	Reimbursement of expenses (net)	0.00*		(0.44)	
Transactions with subsidiary companies[i]					

Notes forming part of the standalone financial statements

(Amount in ₹ million)

Transactions with related parties

No.	Name of related party	31 March 2023 Amount of transactions during the year	31 March 2023 Balance as on 31 March 2023 Debit/(Credit)	31 March 2022 Amount of transactions during the year	31 March 2022 Balance as on 31 March 2022 Debit/(Credit)
7	**KPIT (Shanghai) Software Technology Co. Limited**				
	Sales	234.49	41.28	280.25	41.78
	Reimbursement revenue	8.26		2.05	
	Allocation of administrative support charges	4.23		6.50	
	Software service charges	Nil	(1.06)	Nil	(1.06)
	Investment in equity	Nil	128.84	Nil	128.84
	Reimbursement of expenses (net)	Nil	Nil	0.01	Nil
8	**KPIT Technologies (UK) Limited (Italy branch)**				
	Sales	Nil	(0.09)	0.48	(0.09)
	Reimbursement revenue	Nil		(0.34)	
	Advance given (net)	1.15	Nil	Nil	Nil
9	**KPIT Technologies (UK) Limited (Sweden branch)**				
	Sales	18.97	2.77	6.28	5.23
	Reimbursement revenue	Nil		0.44	
	Advance given (net)	2.58	0.72	Nil	(0.45)
	Reimbursement of expenses (net)	0.02		0.23	
10	**KPIT Technolgias Ltda**				
	Investment in equity	Nil	17.48	Nil	17.48
	Reimbursement of expenses (net)	Nil	Nil	Nil	0.00*
11	**KPIT Technologies Netherlands B.V.**				
	Sales	517.14	70.13	446.56	52.13
	Reimbursement revenue	9.13		5.86	
	Allocation of administrative support charges	13.75		11.32	
	Investment in equity	Nil	34.30	Nil	34.30
	Advance given (net)	5.98	0.90	7.10	0.04
	Reimbursement of expenses (net)	0.29		(0.07)	
12	**KPIT Technologies Pte. Limited**				
	Proceeds from capital reduction	Nil	Nil	34.63	Nil
	Reimbursement of expenses (net)	Nil	Nil	0.12	Nil
	Dividend received	Nil	Nil	1.97	Nil

Notes forming part of the standalone financial statements

(Amount in ₹ million)

Transactions with related parties

No.	Name of related party	31 March 2023 Amount of transactions during the year	31 March 2023 Balance as on 31 March 2023 Debit/(Credit)	31 March 2022 Amount of transactions during the year	31 March 2022 Balance as on 31 March 2022 Debit/(Credit)
13	**KPIT Technologies Inc., USA**				
	Sales	5,800.58	1,254.74	4,555.74	500.27
	Reimbursement revenue	58.21		37.64	
	Allocation of administrative support charges	197.14		170.05	
	Software service charges	Nil	(0.12)	Nil	(0.12)
	Advance given (net)	39.00	(0.74)	21.87	1.84
	Reimbursement of expenses (net)	(15.60)		(9.95)	
Transactions with subsidiary companies[i]					
14	**ThaiGerTec Co., Ltd.**				
	Advance given (net)	0.80	1.02	Nil	Nil
	Reimbursement of expenses (net)	(0.14)		Nil	Nil
15	**PathPartner Technology Private Limited**				
	Sales	0.17	0.20	Nil	Nil
	Software service charges	0.40	(0.43)	13.68	Nil
	Reimbursement of expenses (net)	104.37	(107.90)	Nil	Nil
16	**SOMIT Solutions Limited**				
	Sales	2.11	2.11	NA	NA
17	**SOMIT Solutions Inc.**				
	Sales	6.44	6.44	NA	NA
18	**KPIT Technologies S.A.S.**				
	Advance given (net)	14.74	13.91	NA	NA
	Reimbursement of expenses (net)	0.38		NA	
19	**Qorix GmbH**				
	Investment in equity	44.52	44.52	NA	NA
Transactions with Joint Venture/Associate[i]					
1	**Yantra Digital Services Private Limited**				
	Proceeds from liquidation process	0.98	Nil	3.15	Nil
2	**PathPartner Interior Sensing Private Limited**				
	Investment in equity	Nil	Nil	2.52	2.52
Transactions with Key Management Personnel and relative of Key Management Personnel [(i) & (ii)]					
1	**Mr. S. B. (Ravi) Pandit**				
	Post employment benefits	Nil	Nil	Nil	Nil
	Dividend paid	3.26	Nil	2.72	Nil
	Commission paid	7.75	Nil	3.80	Nil
	Sitting fees	0.66	Nil	0.97	Nil
	Reimbursement of expenses (net)	0.14	Nil	0.03	(0.21)

Notes forming part of the standalone financial statements

(Amount in ₹ million)

Transactions with related parties

No.	Name of related party	31 March 2023		31 March 2022	
		Amount of transactions during the year	Balance as on 31 March 2023 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2022 Debit/(Credit)
2	**Mr. Kishor Patil**				
	Short term employee benefits	50.48	Nil	44.92	Nil
	Post employment benefits	2.17	Nil	1.51	Nil
	Dividend paid	44.04	Nil	36.70	Nil
	Reimbursement of expenses (net)	0.86	1.12	0.63	(0.01)
3	**Mr. Sachin Tikekar**				
	Short term employee benefits	45.01	Nil	41.88	Nil
	Post employment benefits	1.62	Nil	1.09	Nil
	Dividend paid	2.45	Nil	2.19	Nil
	Reimbursement of expenses (net)	0.45	(0.09)	Nil	(0.01)
Transactions with Key Management Personnel and relative of Key Management Personnel [(i) & (ii)]					
4	**Mr. Anup Sable**				
	Short term employee benefits	12.85	Nil	2.55	Nil
	Post employment benefits	0.35	Nil	0.08	Nil
	Share based compensation	2.64	Nil	0.30	Nil
	Dividend paid	1.33	Nil	0.50	Nil
	Reimbursement of expenses (net)	2.27	(0.70)	0.82	0.62
5	**Mr. Chinmay Pandit[(iii)]**				
	Short term employee benefits	0.06	Nil	3.09	Nil
	Post employment benefits	Nil	Nil	0.05	Nil
	Dividend paid	0.13	Nil	0.11	Nil
	Reimbursement of expenses (net)	Nil	Nil	0.03	Nil
6	**Mr. Anant Talaulicar**				
	Commission paid	4.92	Nil	2.66	Nil
	Sitting fees	0.66	Nil	0.91	Nil
7	**Mr. B V R Subbu**				
	Commission paid	3.29	Nil	2.34	Nil
	Sitting fees	0.52	Nil	0.57	Nil
8	**Ms. Shubhalakshmi Panse**				
	Commission paid	0.49	Nil	1.85	Nil
	Sitting fees	Nil	Nil	0.14	Nil
9	**Prof. Alberto Sangiovanni Vincentelli**				
	Commission paid	4.06	Nil	2.13	Nil
	Reimbursement of expenses (net)	0.80	Nil	Nil	Nil
	Sitting fees	0.26	Nil	0.32	(0.05)
10	**Mr. Nickhil Jakatdar**				
	Commission paid	2.09	Nil	1.38	Nil
	Sitting fees	0.21	Nil	0.30	Nil
11	**Ms. Bhavna Doshi**				
	Sitting fees	0.42	Nil	0.18	Nil
	Commission paid	1.25	Nil	Nil	Nil
12	**Prof. Rajiv Lal**				
	Sitting fees	0.26	Nil	0.06	Nil
	Commission paid	0.47	Nil	Nil	Nil

Notes forming part of the standalone financial statements

(Amount in ₹ million)

No.	Name of related party	31 March 2023		31 March 2022	
		Amount of transactions during the year	Balance as on 31 March 2023 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2022 Debit/(Credit)
13	**Ms. Priyamvada Hardikar**				
	Short term employee benefits	10.68	Nil	9.15	Nil
	Post employment benefits	0.28	Nil	0.23	Nil
	Share based compensation	2.48	Nil	0.98	Nil
	Perquisites	8.60	Nil	3.87	Nil
	Dividend paid	0.21	Nil	0.16	Nil
	Reimbursement of expenses (net)	0.32	(0.13)	0.00*	(0.00)*
14	**Ms. Nida Deshpande**				
	Short term employee benefits	3.21	Nil	2.67	Nil
	Post employment benefits	0.11	Nil	0.08	Nil
	Perquisites	Nil	Nil	0.48	Nil
	Dividend paid	0.00*	Nil	0.00*	Nil
	Reimbursement of expenses (net)	0.00*	Nil	Nil	Nil
	Share based compensation	0.07	Nil	0.18	Nil
Transactions with Key Management Personnel and relative of Key Management Personnel (i) & (ii)					
15	**Ms. Jayada Pandit**				
	Short term employee benefits	2.57	Nil	2.47	Nil
	Post employment benefits	0.07	Nil	0.07	Nil
16	**Ms. Manasi Patil**				
	Short term employee benefits	2.88	Nil	2.56	Nil
	Post employment benefits	0.08	Nil	0.07	Nil
	Dividend paid	0.01	Nil	0.01	Nil
17	**Ms. Hemlata Shende**				
	Dividend paid	0.07	Nil	0.11	Nil
18	**Ms. Anupama Patil**				
	Dividend paid	3.16	Nil	4.44	Nil
19	**Ms. Nirmala Shashishekhar Pandit**				
	Dividend paid	0.79	Nil	0.66	Nil
20	**Ms. Asha Khandkar**				
	Dividend paid	0.00*	Nil	Nil	Nil
21	**Mr. Ameya Mehendale**				
	Dividend paid	0.00*	Nil	Nil	Nil
Transactions with promoters (i) & (ii)					
1	**Mr. Ajay Bhagwat**				
	Dividend paid	8.70	Nil	NA	NA
2	**Ms. Ashwini Bhagwat**				
	Dividend paid	0.14	Nil	NA	NA
3	**Mr. Shrikrishna Patwardhan**				
	Short term employee benefits	4.51	Nil	NA	NA
	Post employment benefits	0.19	Nil	NA	NA
	Reimbursement of expenses (net)	0.00*	(0.33)	NA	NA
	Dividend paid	3.63	Nil	NA	NA
Transactions with enterprise over which Key Management Personnel have significant influence (i)					
1	**Kirtane & Pandit LLP**				
	Professional fees	1.74	0.04	1.51	(0.24)
	Reimbursement of expenses (net)	Nil	Nil	0.01	Nil
2	**K & P Management Services Private Limited**				
	Dividend paid	0.99	Nil	0.83	Nil

Notes forming part of the standalone financial statements

(Amount in ₹ million)

No.	Name of related party	31 March 2023		31 March 2022	
		Amount of transactions during the year	Balance as on 31 March 2023 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2022 Debit/(Credit)
3	**KP Capital Advisors Private Limited**				
	Professional fees	0.42	0.02	0.25	(0.05)
4	**KP Corporate Solutions Limited**				
	Professional fees	0.90	NA	8.68	Nil
5	**Proficient FinStock LLP**				
	Settlement of advance	Nil	Nil	137.44	Nil
	Dividend paid	293.24		244.37	
6	**Sentient Labs Private Limited**				
	Advance received (net)	128.00	8.51	Nil	(43.37)
	Reimbursement of expenses (net)	181.29		189.74	

*Since denominated in ₹ millions.

(i) All transactions with these related parties are priced on an arm's length basis.

(ii) Remuneration excludes provision for gratuity and compensated absences as separate actuarial valuation for the directors, key management personnel and their relatives is not available.

(iii) Deputed on secondment to KPIT Technologies Inc., USA, a wholly owned subsidiary, with effect from 26 July 2021.

42 Analytical ratios

Ratio/measure	Numerator	Denominator	31 March 2023	31 March 2022	Variance
Current ratio (Refer note i below)	Current assets	Current liabilities	1.69	2.51	-32.54%
Debt-equity ratio (Refer note ii below)	Total debt[(a)]	Shareholders' equity	0.04	0.07	-39.11%
Debt service coverage ratio	Earnings available for debt service[(b)]	Debt service[(c)]	17.94	15.87	13.06%
Return on equity	Net profits after taxes	Average shareholders' equity	21.53%	21.01%	2.49%
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	4.39	5.21	-15.71%
Trade payables turnover ratio (Refer note iii below)	Purchase of services and other expenses	Closing trade payables[(e)]	3.29	2.59	27.19%

Notes forming part of the standalone financial statements

(Amount in ₹ million)

Net capital turnover ratio (Refer note iv below)	Revenue from operations	Working capital	6.20	2.27	173.12%
Net profit ratio	Net profit after tax	Revenue	18.48%	20.16%	-8.37%
Return on capital employed	Earning before interest and taxes	Capital Employed[(d)]	27.38%	22.52%	21.58%
Return on investment (treasury operations) (Refer note v below)	Income generated from investments[(f)]	Time weighted average investment			
Quoted			4.74%	3.51%	35.04%
Unquoted			5.20%	4.95%	5.05%

Notes:

a. Debt includes current and non-current lease liabilities.

b. Earnings available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + interest + other adjustments like loss on sale of fixed assets etc.

c. Debt service includes lease payments for the year. It excludes working capital repayment (if any) during the year.

d. Capital Employed = Tangible net worth + Total debt

e. Trade payables include provision for expenses.

f. Income generated from investments include interest income, net gain on sale of investments and net fair value gain.

Explanation for variances exceeding 25%

i. Usage of fund towards acquisition of subsidiaries has majorly resulted into decrease in the ratio.

ii. Debt-equity ratio has improved majorly on account of repayment of borrowings and payment of lease rentals.

iii. Increase in the ratio is mainly on account of increased business operations.

iv. Revenue growth and reduction in working capital due to point i. above resulted in increase in the ratio.

v. Return on investment increased due to external market conditions and interest rate movement during the year ended 31 March 2023

43 Expenditure and earnings in foreign Currency

A. Expenditure in foreign Currency

Particulars	31 March 2023	31 March 2022
Cost of professional sub-contracting (net)	20.70	16.41
Employee benefits expense	31.42	24.19
Finance costs	0.08	-
Professional charges	8.64	18.71
Recruitment and training expenses	19.65	27.07
Marketing expenses	43.21	-
Travel expenses	43.18	-
Repairs and maintenance	14.46	-
Other expenses	39.21	0.87
Bad debts written off	1.79	-
Provision for doubtful debts and advances (net)	68.17	-

Notes forming part of the standalone financial statements

(Amount in ₹ million)

B Earnings in foreign Currency

Particulars	31 March 2023	31 March 2022
Revenue from operations	13,789.25	10,708.22
Dividend income	-	327.22
Other non-operating income	0.02	0.24

44 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.

45 Business combination

Scheme of Merger of Impact Automotive Solutions Limited

The Board of Directors of the Company at its meeting held on 26 July 2019 had approved the Composite Scheme of Arrangement (the 'Scheme') for merger of Impact Automotive Solutions Limited ('Transferor Company'), wholly owned subsidiary of the Company with the Company. Application seeking approval of the Scheme was subsequently filed with Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench on 27 September 2019.

On receipt of the certified copy of the order dated 15 June 2021 from NCLT, Mumbai Bench sanctioning the Scheme, with appointed date 1 April 2019, and upon filing the same with Registrar of Companies, Maharashtra on 22 June 2021 the Scheme became effective. Accordingly, the Company had given effect to the Scheme from the Appointed date of 1 April 2019 by revising the standalone financial statements for the year ended 31 March 2020 and 31 March 2021.

Pursuant to the Scheme, all the assets, liabilities, reserves and surplus of the transferor company had been transferred to and vested in the Company with effect from the appointed date at their carrying values.

Name of the Transferor Company	Impact Automotive Solutions Limited
General nature of business	Engaged in the production of Integrated Systems, hybrid automotive product and electric vehicle.
Appointed Date of the Scheme	1 April 2019
Description and number of shares issued	Nil
% of Company's equity shares exchanged	Nil

Pursuant to the approved Scheme of Merger by Absorption, the Transferee Company has accounted for merger in its books as per the applicable accounting principles prescribed under relevant Indian Accounting Standards.

a) Accounting Treatment

i. The Transferee Company had recorded all the assets, liabilities and reserves of the Transferor Company vested in it pursuant to this Scheme, at their book values and in the same form as appearing in the books of the Transferor Company as on the Appointed Date, by applying the principles as set out in Appendix C of IND AS 103 'Business Combinations' and prescribed under Companies (Indian Accounting Standards) Rules, 2015 issued by the Institute of Chartered Accountants of India.

ii. The financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policies.

iii. Any loans, advances or other obligations (including but not limited to any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form) that were due between the Transferor Company and the Transferee Company, if

Notes forming part of the standalone financial statements

(Amount in ₹ million)

any, ipso facto, stand discharged and come to end and the same was eliminated by giving appropriate elimination effect in the books of account and records of the Transferee Company.

iv. Investments in shares of the Transferor Company held by the Transferee Company had been adjusted against Share Capital of the Transferor Company and the difference, between cost of investment of the Transferor Company in the books of the Transferee Company had been adjusted against balance of reserves and surplus of the Transferee Company post-merger.

v. The identity of the reserves had been preserved and appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company.

b) The book value of assets and liabilities taken over from the Transferor Company as on the Appointed Date were:

ASSETS	
Non-current assets	
Property, plant and equipment	36.62
Intangible assets	0.03
Financial assets	
Investments	10.00
Loans	15.39
Other financial assets	17.04
Income tax asset (net)	4.34
Other non-current assets	0.16
	83.58
Current assets	
Inventories	170.77
Financial assets	
Trade receivables	136.75
Cash and cash equivalent	10.67
Other balances with banks	197.88
Loans	2.99
Other financial assets	2.27
Other current assets	64.33
	585.66
TOTAL ASSETS	**669.24**
EQUITY AND LIABILITIES	
Equity	
Equity share capital	1,367.50
Other equity	(1,082.11)
Total equity	**285.39**
Non-current liabilities	
Financial liabilities	
Borrowings	102.03
Provisions	2.00
	104.03
Current liabilities	
Financial liabilities	
Trade payables	
(i) Total outstanding dues of micro enterprises and small enterprises	-

Notes forming part of the standalone financial statements

(Amount in ₹ million)

(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	115.49
Other financial liabilities	13.54
Other current liabilities	150.32
Provisions	0.47
	279.82
TOTAL EQUITY AND LIABILITIES	**669.24**

c) Capital reserve arising on merger

Particulars	**Amount (₹ million)**
Investment in the Transferor Company held by the Transferee Company	1,326.29
Share capital of the Transferor Company	1,367.50
Capital reserve	**41.21**

d) As a consequence of the aforesaid merger, the Company recognized tax benefits accrued amounting to ₹ 11.62 million directly under equity as at 1 April 2019. Tax benefits amounting to ₹ 9.92 million and ₹ 57.06 million are recognized under the revised statement of profit and loss for the financial year ending 31 March 2020 and 31 March 2021 respectively.

e) The authorised share capital of the Transferee Company, automatically stands increased, by clubbing the authorised share capital of the Transferor Company which was ₹ 1,500.00 million divided into 150 million equity shares of ₹ 10 each.

46 Investment in PathPartner Technology Private Limited

Effective 1 October 2021, the Company had acquired the controlling stake in PathPartner Technology Private Limited ("PathPartner"). PathPartner is engaged in design service and solution provider for Automotive, Camera, Internet of Things (IoT), Multimedia devices, Driver Monitoring Systems, Asset tracking platform, Camera module platform and several re-usable IP building blocks. PathPartner is an Indian company which currently employs 350+ people including 290 embedded software engineers. It is headquartered in Bengaluru, with R&D centers in Kochi, India, California, USA and a office in Frankfurt, Germany.

The total cash consideration for the controlling stake in PathPartner was ₹ 890.00 million. The purchase consideration of ₹ 147.49 million is outstanding to be payable to the Tranche 1 shareholders as at 31 March 2023.

Further, the Share Purchase Agreement also provided for an acquisition of the balance stake under Tranche 2 and Tranche 3. Accordingly, during the previous year, the Company had recognised a contractual obligation of ₹ 871.84 million towards the said acquisition. During the current year, the Company has acquired the stake under Tranche 2.

47 Corporate Social Responsibility (CSR)

The Company, as per section 135 of the Companies Act 2013, is required to spend towards CSR, 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 2023**	**31 March 2022**
a.	Amount required to be spent by the company during the year	41.83	27.60
b.	Amount of expenditure incurred for purposes other than construction/acquisition of any asset	41.86	38.22
c.	Shortfall at the end of the year	-	-
d.	Total of previous years shortfall	-	-
e.	Reason for shortfall	NA	NA

	Particulars	31 March 2023	31 March 2022
f.	Nature of CSR activities	Environmental sustainability, Promoting education, Training to promote Olympic sports, Women empowerment, Ecological balance and Covid 19 relief.	
g.	Details of related party transactions in relation to CSR expenditure as per relevant accounting standard	-	-

Movement in the unspent CSR provision amount is as under:

Particulars	31 March 2023	31 March 2022
Carrying amount as at the beginning of the year	-	3.31
Additional provision made during the year	-	-
Spend during the year	-	(3.31)
Carrying amount at the end of the year	-	-

Also, refer Annexure 5 of the Director's Report.

48 Disclosure under Rule 11(e) and 11(f) of the Companies (Audit and Auditors) Rules, 2014

SN	Name of the intermediary	Date	Amount (₹ million)	Use of funds
1	KPIT Technologies GmbH	4 October 2022	3,233.80	Acquisition of 100% stake in Technica Engineering GmbH

49 Additional regulatory information pursuant to the requirement in Division II of Schedule III to the Companies Act 2013

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company (other than as mentioned in note 48) has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.

(ix) None of the entities in the Company have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(x) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(xi) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

50 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 2022-2023.

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 No: 101248W / W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 26 April 2023

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN: 00075861

Kishor Patil
CEO & Managing Director
DIN: 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 26 April 2023

Independent Auditor's Report

To the Members of KPIT Technologies Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of KPIT Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its joint venture, which comprise the consolidated balance sheet as at 31 March 2023, 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, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, 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, and its joint venture as at 31 March 2023, 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, and its joint venture 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 along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements 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.

Key audit matter - Revenue recognition in respect of fixed price contracts

See Note 42 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group engages into fixed-price contracts with customers. In respect of fixed-price contracts, revenue is recognized using percentage of completion computed as per the input method. 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. Contract estimates are formed by the Group considering the following: 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.	Our audit procedures in this area included the following: • Obtained 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. • Tested 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:

Key audit matter - Revenue recognition in respect of fixed price contracts

See Note 42 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
There is judgement involved in identification of distinct performance obligations and determination of transaction price for such performance obligations. 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. 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. (Refer note 2.3(i), 2.18 and 42 to the consolidated financial statements)	i. Evaluating the identification of performance obligations. ii. Agreeing the transaction price to the underlying contracts. iii. Inspecting the approval of the estimates of cost to complete. iv. 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. v. 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. vi. 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. vii. 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.

Key audit matter - Impairment of goodwill

See Note 6 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
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, which are the basis of the assessment of recoverability. Considering the significant judgement involved, impairment of goodwill is identified as a key audit matter. Refer note 2.13.b(ii) and 6 to the consolidated financial statements	Our audit procedures in this area included the following: • Assessed Group's evaluation of identification of cash generating units and allocation of goodwill to the respective CGUs; • Evaluated the Group's assessment of recoverable amount and impairment assessment for goodwill; • Tested the arithmetical accuracy of the cash flow projections and impairment assessment made by the Group; • We challenged the Group's assumptions used inimpairment analysis, such as projected EBITDA & revenue growth rate, terminal growth rates and discount rates, by:

Key audit matter - Impairment of goodwill

See Note 6 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
	i. comparing the same to externally derived data and industry comparators, where available; ii. assessing the sensitivity of key assumptions onthe impairment assessment; iii. comparing the forecasts against the historical performance. This was based on our knowledge of the Group and the markets in which the CGU operates. We took assistance of our valuation steam for above testing; • Performed sensitivity analysis of the key assumptions, such as future revenue growth rates and the discount rate used in determining the recoverable value; • Evaluated the adequacy of the disclosures of key assumptions and judgements.

Key audit matter - Accounting for business combination

See Note 51 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
For the year ended 31 March 2023, the Group has entered into a significant business combination transaction. Accounting for business combination requires the Group to determine fair value of consideration transferred, fair valuation of contingent consideration and fair value of net assets acquired. Accounting for Business Combinations also requires judgement with respect to identification and valuation of identifiable intangible assets acquired as part of the business combination. Based on the preliminary purchase price allocation, the Group has recognized goodwill amounting to ₹ 7,801.51 million and other intangible assets amounting to ₹ 1,664.03 million. Considering the significance of estimates and assumptions involved in determination of purchase consideration and the allocation of purchase price this was an area of focus during our audit of the Group's consolidated financial statements. (Refer note 2.3(iv), 2.5 and 51 to the consolidated financial statements)	Our audit procedures on accounting for business combinations include the following: • Evaluating the design, implementation and operating effectiveness of the internal controls relating to accounting for business combinations and related disclosures in the consolidated financial statements. • Evaluating the cash flow forecasts with regard to the valuation of the identified intangible assets, considering the historical financial performance, business growth and expected synergies. • Evaluating the competence, capabilities, and objectivity of management's expert engaged for valuation, obtained an understanding of work of the expert, and evaluating the appropriateness of the expert's work as audit evidence. • Involving valuation specialists and evaluation of the methodology and key assumptions used by the Group and the valuer (internal/ external) engaged by the Group to value contingent consideration, intangible assets, and goodwill. • Re-computing the deferred tax liabilities arising on the acquired intangible assets and verify the applicable tax rates. • Evaluating the adequacy and appropriateness of the disclosures in the consolidated financial statements.

Information Other than the Financial Statements and Auditor's 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 Annual report, but does not include the financial statements and auditor's reports thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether 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.

Management's and Board of Directors'/Board of Trustees' 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 including its joint venture 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 Management and Board of Directors of the companies/ Board of Trustees of the Employee Stock Option Plan (ESOP) Trust included in the Group and the respective Management and Board of Directors of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company/ESOP Trust 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies/ Board of Trustees of the ESOP Trust included in the Group and the respective Management and Board of Directors of its joint venture are responsible for assessing the ability of each company/ESOP Trust 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/Board of Trustees either intends to liquidate the Company/ESOP Trust or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies/ Board of Trustees of the ESOP Trust included in the Group and the respective Management and Board of Directors and of its joint venture are responsible for overseeing the financial reporting process of each company/ESOP Trust.

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 whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 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 and its joint venture 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 statements of such entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a. We did not audit the financial statements of 12 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 6,302.78 million as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 5,312.59 million and net cash flows (before consolidation adjustments) amounting to Rs. 520.53 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports 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-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors

   Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

b. The financial statements of 3 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 214.51 million as at

31 March 2023, total revenues (before consolidation adjustments) of Rs. 350.31 million and net cash flows (before consolidation adjustments) amounting to Rs. 37.72 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. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of Rs. 23.97 million for the year ended 31 March 2023, as considered in the consolidated financial statements, in respect of 1 joint venture, whose financial statements has not been audited by us or by other auditor. These unaudited financial statements 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 joint venture, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and joint venture, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements 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 this matter with respect to the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of 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, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, as were audited by other auditors, 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 and the reports of the other auditors.

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 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31 March 2023 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 and its subsidiary company incorporated in India 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 Auditor's 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 and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:

a. There were no pending litigations as at 31 March 2023 which would impact the consolidated financial position of the Group, and its joint venture.

b. 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 29 to the consolidated financial statements in respect of such items as it relates to the Group, and its joint venture.

c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary company, incorporated in India during the year ended 31 March 2023.

There is an instance of delay in transferring amount, to the Investor Education and Protection Fund by one of the Subsidiary incorporated in India, during the year ended 31 March 2023 - ₹ 0.25 million declared in Seventh Annual General Meeting of the Company held on 30 September 2013.

d (i) The respective management of the Holding Company and its subsidiary company incorporated in India whose financial statements has been audited under the Act have represented to us and the other auditors of such subsidiary company respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 54 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary company, to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary company, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiary company incorporated in India whose financial statements has been audited under the Act have represented to us and the other auditors of such subsidiary company respectively that, to the best of their knowledge and belief, as disclosed in the Note 55 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary company, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary company, shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances by us and that performed by the auditors of the subsidiary company incorporated in India whose financial statements have been audited under the Act nothing has come to our or other auditor notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Company during the year and until the date of this audit report is in compliance accordance with Section 123 of the Act.

As stated in Note 22.7 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of such subsidiary company, only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company and its subsidiary company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act 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
Membership No.: 113896
ICAI UDIN:23113896BGYERP9722

Place: Pune
Date: 26 April 2023

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of KPIT Technologies Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

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

Swapnil Dakshindas
Partner
Membership No.: 113896
ICAI UDIN:23113896BGYERP9722

Place: Pune
Date: 26 April 2023

Annexure B to the Independent Auditor's Report on the consolidated financial statements of KPIT Technologies Limited for the year ended 31 March 2023

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 Act

(Referred to in paragraph 2(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 KPIT Technologies Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such company incorporated in India under the Act which is its subsidiary company, as of that date.

In our opinion the Holding Company and such company incorporated in India which is its subsidiary company, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to 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 and Board of Directors' Responsibilities for Internal Financial Controls

The respective 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 financial statements 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to 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 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to 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 consolidated 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 consolidated financial statements

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to 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
Membership No.: 113896
ICAI UDIN: 23113896BGYERP9722

Place: Pune
Date: 26 April 2023

Consolidated Balance Sheet

(Amount in ₹ million)

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,143.89	1,936.72
Right-of-use assets	4	2,594.34	2,503.32
Capital work-in-progress	5	56.43	4.09
Goodwill	6	10,102.57	1,678.66
Other intangible assets	7	2,003.62	289.77
Intangible assets under development	8	268.77	-
Investments accounted for using the equity method	9	252.22	216.14
Financial assets			
Investments	10	0.45	0.42
Other financial assets	11	568.34	538.83
Income tax assets (net)		292.70	279.59
Deferred tax assets (net)	12	698.70	763.83
Other non-current assets	13	8.00	8.50
		18,990.03	**8,219.87**
Current Assets			
Inventories		587.50	-
Financial assets			
Investments	15	389.52	1,075.68
Trade receivables	16		
Billed		5,924.40	3,714.47
Unbilled		1,823.21	695.41
Cash and cash equivalents	17	4,542.13	3,420.63
Bank balances other than cash and cash equivalents above	18	949.19	5,507.34
Other financial assets	20	283.72	279.73
Other current assets	21	516.05	448.34
		15,015.72	**15,141.60**
TOTAL ASSETS		**34,005.75**	**23,361.47**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	22	2,703.46	2,700.17
Other equity		13,811.92	10,395.50
Equity attributable to owners of the Company		**16,515.38**	**13,095.67**
Non-controlling interests	52	117.56	155.47
Total equity		**16,632.94**	**13,251.14**

Consolidated Balance Sheet

(Amount in ₹ million)

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
Liabilities			
Non-Current Liabilities			
Financial liabilities			
Borrowings	23	2.26	18.65
Lease liabilities	47	1,864.28	1,833.95
Other financial liabilities	24	2,850.16	926.77
Provisions	25	375.45	254.29
Deferred tax liabilities (net)	26	600.12	0.07
		5,692.27	**3,033.73**
Current liabilities			
Financial liabilities			
Borrowings	27	489.84	7.15
Lease liabilities	47	508.88	412.51
Trade payables	28		
(i) Total outstanding dues of micro enterprises and small enterprises		3.53	5.70
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,639.82	1,366.60
Other financial liabilities	29	4,448.21	1,899.28
Other current liabilities	30	3,614.42	2,421.04
Provisions	31	517.25	658.45
Income tax liabilities (net)		458.59	305.87
		11,680.54	**7,076.60**
TOTAL EQUITY AND LIABILITIES		**34,005.75**	**23,361.47**

See accompanying notes to the consolidated financial statements

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: 26 April 2023

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN: 00075861

Kishor Patil
CEO & Managing Director
DIN: 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 26 April 2023

Consolidated Statement of Profit and Loss

(Amount in ₹ million)

Particulars	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations	32	33,650.38	24,323.86
Other income	33	401.92	448.09
Total income		**34,052.30**	**24,771.95**
Expenses			
Cost of materials consumed	34	658.80	-
Changes in inventories of finished goods and work-in-progress	35	(254.42)	-
Employee benefits expense	36	21,553.00	16,105.99
Finance costs	37	323.13	193.95
Depreciation and amortisation expense		1,463.79	1,196.14
Other expenses	38	5,364.10	3,832.41
Total expenses		**29,108.40**	**21,328.49**
Profit before share of profit of equity accounted investee and tax		**4,943.90**	**3,443.46**
Share of profit of equity accounted investees (net of tax)		23.97	1.98
Profit before tax		**4,967.87**	**3,445.44**
Tax expense	45		
Current tax		1,091.25	836.11
Deferred tax		7.99	(153.10)
Total tax expense		**1,099.24**	**683.01**
Profit for the year		**3,868.63**	**2,762.43**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit plans - gain/(loss)	43	(90.10)	(75.00)
Income tax on items that will not be reclassified subsequently to profit or loss		30.83	25.57
Items that will be reclassified subsequently to profit or loss			

Consolidated Statement of Profit and Loss

(Amount in ₹ million)

Particulars	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
Exchange differences on translation of financial statements of foreign operations		654.40	13.51
Effective portion of gains on hedging instruments in cash flow hedges	39	(167.45)	20.17
Income tax on items that will be reclassified subsequently to profit or loss		58.00	(6.94)
Total other comprehensive income/(loss)		**485.68**	**(22.69)**
Total comprehensive income for the year		**4,354.31**	**2,739.74**
Profit for the year attributable to			
Owners of the Company		3,809.98	2,742.33
Non-controlling interests		58.65	20.10
		3,868.63	**2,762.43**
Other comprehensive income/(loss) for the year attributable to			
Owners of the Company		491.82	(28.14)
Non-controlling interests		(6.14)	5.45
		485.68	**(22.69)**
Total comprehensive income for the year attributable to			
Owners of the Company		4,301.80	2,714.19
Non-controlling interests		52.51	25.55
		4,354.31	**2,739.74**
Earnings per equity share (face value per share ₹ 10 each)	46		
Basic		14.10	10.17
Diluted		13.95	10.05

See accompanying notes to the consolidated financial statements

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: 26 April 2023

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN: 00075861

Kishor Patil
CEO & Managing Director
DIN: 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 26 April 2023

Consolidated Statement of Changes in Equity

(Amount in ₹ million)

A Equity share capital (Refer note 22)

Balance as at 1 April 2022	Changes in equity share capital due to prior period errors	Restated balance as at 1 April 2022	Changes in equity share capital during the year	Balance as at 31 March 2023
2,700.17	-	2,700.17	3.29	2,703.46

Balance as at 1 April 2021	Changes in equity share capital due to prior period errors	Restated balance as at 1 April 2021	Changes in equity share capital during the year	Balance as at 31 March 2022
2,690.44	-	2,690.44	9.73	2,700.17

B Other equity

	Reserves and surplus					Items of other comprehensive income			Equity attributable to owners of the Company	Non-controlling interests (Refer note 52)	Total other equity
	Capital reserve	General reserve	Retained earnings	Share based payment reserve	Special Economic Zone Re-investment reserve	Foreign currency translation reserve	Effective portion of cash flow hedges (Refer note 39.3)	Re-measurement of net defined benefit plan (Refer note 43)			
Balance as at 1 April 2022	**1,488.36**	**(72.21)**	**8,524.73**	**198.78**	**-**	**336.47**	**57.90**	**(138.53)**	**10,395.50**	**155.47**	**10,550.97**
Profit for the year	-	-	3,809.98	-	-	-	-	-	3,809.98	58.65	3,868.63
Other comprehensive income/(loss)(net of tax)	-	-	-	-	-	657.83	(106.02)	(59.99)	491.82	(6.14)	485.68
Total comprehensive income/(loss) for the year	**-**	**-**	**3,809.98**	**-**	**-**	**657.83**	**(106.02)**	**(59.99)**	**4,301.80**	**52.51**	**4,354.31**
Others											
Dividend (Refer note 22.7)	-	-	(891.63)	-	-	-	-	-	(891.63)	-	(891.63)
Accumulated surplus of employee welfare trust	-	-	(214.44)	-	-	-	-	-	(214.44)	-	(214.44)
Effect on account of purchase of non-controlling interest	-	-	116.06	-	-	-	-	-	116.06	(116.06)	-
On account of acquisition of subsidiary (Refer note 51)	-	-	(7.43)	-	-	-	-	-	(7.43)	19.61	12.18
Transfer to Special Economic Zone Re-investment reserve account from retained earnings	-	-	(130.05)	-	130.05	-	-	-	-	-	-
Transfer of reserves	-	(6.42)	-	0.39	-	-	-	-	(6.03)	6.03	-
Transfer to general reserve from share based payment reserve	-	46.30	-	(46.30)	-	-	-	-	-	-	-
Share based payment to employees (net)	-	-	-	118.09	-	-	-	-	118.09	-	118.09
Balance as at 31 March 2023	**1,488.36**	**(32.33)**	**11,207.22**	**270.96**	**130.05**	**994.30**	**(48.12)**	**(198.52)**	**13,811.92**	**117.56**	**13,929.48**

Consolidated Statement of Changes in Equity

(Amount in ₹ million)

	Reserves and surplus					Items of other comprehensive income			Equity attributable to owners of the Company	Non-controlling interests (Refer note 52)	Total other equity
	Capital reserve	General reserve	Retained earnings	Share based payment reserve	Special Economic Zone Re-investment reserve	Foreign currency translation reserve	Effective portion of cash flow hedges (Refer note 39.3)	Re-measurement of net defined benefit plan (Refer note 43)			
Balance as at 1 April 2021	**1,700.06**	**(104.30)**	**7,355.34**	**142.89**	**-**	**328.41**	**44.67**	**(89.10)**	**9,377.97**	**28.74**	**9,406.71**
Profit for the year	-	-	2,742.33	-	-	-	-	-	2,742.33	20.10	2,762.43
Other comprehensive income/(loss) (net of tax)	-	-	-	-	-	8.06	13.23	(49.43)	(28.14)	5.45	(22.69)
Total comprehensive income/(loss) for the year	**-**	**-**	**2,742.33**	**-**	**-**	**8.06**	**13.23**	**(49.43)**	**2,714.19**	**25.55**	**2,739.74**
Others											
Dividend (Refer note 22.7)	-	-	(741.30)	-	-	-	-	-	(741.30)	-	(741.30)
Accumulated surplus of employee welfare trust	-	-	17.72	-	-	-	-	-	17.72	-	17.72
Effect on account of purchase of non-controlling interest	(211.70)	-	-	-	-	-	-	-	(211.70)	(28.74)	(240.44)
On account of acquisition of subsidiary (Refer note 51.1)	-	-	(849.36)	-	-	-	-	-	(849.36)	129.92	(719.44)
Transfer to general reserve from share based payment reserve	-	32.09	-	(32.09)	-	-	-	-	-	-	-
Share based payment to employees (net)	-	-	-	87.98	-	-	-	-	87.98	-	87.98
Balance as at 31 March 2022	**1,488.36**	**(72.21)**	**8,524.73**	**198.78**	**-**	**336.47**	**57.90**	**(138.53)**	**10,395.50**	**155.47**	**10,550.97**

Consolidated Statement of Changes in Equity

(Amount in ₹ million)

Nature and purpose of reserves:

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. It also includes any surplus or shortfall on account of:

- merger/demerger within common control
- purchase of stake in minority share holder
- gain from a bargain purchase

This reserve is not available for distribution of dividend.

ii) General reserve

During the year ended 31 March 2019, general reserve amounting to ₹ (113.92) million was transferred to the Company on account of composite scheme of arrangement - demerger scheme. The reserve pertains to general reserve amounting to ₹ (148.30) million of the subsidiary company and ₹ 34.38 million of the parent company. 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 and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to Statement of Profit and Loss.

iii) Retained earnings

It comprises of the undistributed accumulated earnings of the Group as on the balance sheet date. This amount can be used to distribute dividend to equity shareholders.

iv) Share based payment reserve

Share based payment reserve is used to record the fair value of equity-settled share-based payment transactions with employees. Refer note 44 for the details of employee stock options and share purchase schemes.

v) Foreign currency translation reserve

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve.

vi) Special Economic Zone Re-investment reserve

The Special Economic Zone Re-investment Reserve has been created out of the profit of eligible SEZ units in terms of the provisions of Sec 10AA(1)(ii) of the Income-tax Act, 1961. The reserve will be utilized by the Company for acquiring new assets for the purpose of its business as per the terms of the Sec 10AA(2) of the Income-tax Act, 1961.

See accompanying notes to the consolidated financial statements

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W / W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 26 April 2023

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN: 00075861

Kishor Patil
CEO & Managing Director
DIN: 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 26 April 2023

Consolidated Statement of Cash Flows

(Amount in ₹ million)

		For the year ended 31 March 2023	For the year ended 31 March 2022
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit for the year	3,868.63	2,762.43
	Adjustments for:		
	Tax expense	1,099.24	683.01
	Depreciation and amortisation expense	1,463.79	1,196.14
	Finance costs	323.13	193.95
	Interest income	(140.59)	(194.33)
	Dividend income	(3.29)	(3.60)
	Property, plant and equipments and other intangible assets written off	8.77	126.19
	Net profit on disposal of property, plant and equipments	(6.72)	(0.72)
	Unrealised gain on investment carried at fair value through profit and loss (net)	25.68	(50.67)
	Realised gain on investment carried at fair value through profit and loss (net)	(59.54)	(26.51)
	Provision for doubtful debts and advances (net)	71.03	(112.92)
	Bad debts written off	49.63	68.57
	Share based compensation expenses	118.74	87.97
	Net unrealised foreign exchange loss	615.33	13.76
	Gain on sale of investment in an associate	(18.86)	-
	Share of profit of equity accounted investees (net of tax)	(23.97)	(1.98)
	Others	(8.82)	22.14
	Operating profit before working capital changes	**7,382.18**	**4,763.43**
	Adjustments for changes in working capital:		
	Trade receivables	(2,045.62)	(370.16)
	Inventories	(0.95)	-
	Other financials assets, loans and other assets	(95.95)	(23.51)
	Trade payables	(129.35)	(19.95)
	Other financial liabilities, other liabilities and provisions	502.65	1,288.34
	Cash generated from operations	**5,612.96**	**5,638.15**
	Income taxes paid (net)	(988.51)	(888.25)
	Net cash generated from operating activities (A)	**4,624.45**	**4,749.90**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment and intangible assets	(1,294.98)	(686.04)
	Proceeds from sale of property, plant and equipment	18.82	0.95
	Acquisition of subsidiaries	(5,781.91)	(626.04)
	Acquisition of non-controlling interests	(446.66)	(231.83)
	Investment in mutual fund	(5,339.00)	(2,625.34)
	Proceeds from sale of investment in mutual fund	6,050.61	2,865.17
	Proceed from sale of investments carried at fair value through profit and loss	10.29	69.11
	Investment in equity accounted investees	-	(214.16)
	Proceeds from sale of investment in an associate	19.13	-
	Interest received	201.27	140.26
	Dividend received	0.41	3.60
	Fixed deposits with banks (net) having original maturity over three months	4,538.56	(1,719.73)
	Net cash used in investing activities (B)	**(2,023.46)**	**(3,024.05)**

Consolidated Statement of Cash Flows

(Amount in ₹ million)

		For the year ended 31 March 2023	For the year ended 31 March 2022
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of long term loan from banks*	(3.83)	(3.50)
	Repayment of long term loan from other than banks*	(15.00)	(1.87)
	Payment of lease liabilities*	(578.31)	(515.58)
	Proceeds from working capital loan*	1,044.70	1,801.39
	Repayment of working capital loan*	(1,089.01)	(1,801.39)
	Payments for shares purchased by Employee Welfare Trust	(228.43)	-
	Proceeds from shares issued by Employee Welfare Trust (net)	17.28	27.45
	Dividend paid	(891.63)	(741.30)
	Interest and finance charges paid	(86.76)	(31.86)
	Net cash used in financing activities (C)	**(1,830.99)**	**(1,266.66)**
D	**Exchange differences on translation of foreign currency cash and cash equivalents**	**3.28**	8.12
	Net increase/(decrease) in cash and cash equivalents (A + B + C + D)	**773.28**	**467.31**
	Cash and cash equivalents at close of the year (Refer note 17)	4,542.13	3,420.63
	Cash and cash equivalents at beginning of the year	3,420.63	2,857.70
	Cash and cash equivalents on account of acquisition of a subsidiary (Refer note 51)	348.22	95.62
	Cash surplus for the year	**773.28**	**467.31**

***Reconciliation of liabilities from financing activities for the year ended 31 March 2023:**

Particulars	Non-current borrowings (including related current portion)	Current borrowings	Leases (Refer note 47)
Balance at the start of the year	25.80	-	2,246.46
Add: Cash inflow (proceeds of working capital loans from banks)	-	1,044.70	-
Less: Cash outflow (repayment of loans and payment of lease liabilities)	18.83	1,089.01	578.31
Add: Non-cash changes (including effects of unrealised foreign exchange)	(0.90)	530.34	705.01
Closing balance at the end of the year	6.07	486.03	2,373.16

Consolidated Statement of Cash Flow

(Amount in ₹ million)

***Reconciliation of liabilities from financing activities for the year ended 31 March 2022:**

Particulars	Non-current borrowings (including related current portion)	Current borrowings	Leases (Refer note 47)
Balance at the start of the year	31.33	-	2,268.42
Add: Cash inflow (proceeds of working capital loans from banks)	-	1,801.39	-
Less: Cash outflow (repayment of loans and payment of lease liabilities)	5.37	1,801.39	515.58
Add: Non-cash changes (including effects of unrealised foreign exchange)	(0.16)	-	493.62
Closing balance at the end of the year	25.80	-	2,246.46

See accompanying notes to the consolidated financial statements

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W / W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 26 April 2023

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN: 00075861

Kishor Patil
CEO & Managing Director
DIN: 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 26 April 2023

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2023

(Amount in ₹ million)

1 Company Overview

KPIT Technologies Limited ("the Company") together with its subsidiaries (collectively with an employee welfare trust referred to as "the Group"), is a leading independent software development and integration partner helping mobility leapfrog towards a clean, smart, and safe future. With 10,000+ automobelievers across the globe specializing in embedded software, AI, and digital solutions, the Group accelerates clients' implementation of next-generation technologies for the future mobility roadmap. With engineering centers in Europe, the USA, Brazil, Japan, China, Thailand and India, the Group works with leaders in automotive and mobility and is present where the ecosystem is transforming.

The Company is a public limited company incorporated in India and is listed on the BSE Limited and National Stock Exchange of India Limited. The Company has its registered office at Plot-17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Hinjawadi, Taluka - Mulshi, Pune – 411057, Maharashtra, India and it has subsidiaries across multiple geographies.

The consolidated financial statements were authorised for issue by the Company's Board of Directors on 26 April 2023.

2 Significant accounting policies

2.1 Statement of compliance

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 applicable rules as amended from time to time and the provisions of Companies Act, 2013. These financial statements are presented in millions of Indian rupees (₹) rounded off to two decimal places, except per share information, unless otherwise stated.

2.2 Basis of preparation of consolidated financial statements

These financial statements have been prepared on the historical cost basis, except for share based payments, defined benefit obligations, purchase consideration in business combinations and certain financial instruments, which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The statement of cash flows has been prepared under the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

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.

2.3 Use of estimates and judgement

The preparation of consolidated 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 recognised in the year in which the results are known/materialized.

Critical accounting estimates

i. Revenue recognition

The Group uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Group to determine the costs expended to date as a proportion of the total estimated costs to be expended. Costs expended have been used to measure progress towards completion as generally it is estimated that there is a direct relationship between input and output in respect of work completed.

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 period end 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

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2023

(Amount in ₹ million)

determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions (if any).

iii. Valuation of deferred tax assets

The Group reviews carrying amount of deferred tax asset at end of each reporting period. The policy has been explained under note 2.25.

iv. 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 acquired identifiable assets, liabilities and contingent liabilities. Significant estimates are required to be made in determining these fair values.

v. Impairment of goodwill

Goodwill is tested for impairment on an annual basis and when ever 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.

vi. Measurement of defined benefit obligation, key actuarial assumptions and share based payments

Information about assumptions and estimation uncertainties in respect of defined benefit obligations and share based payments are included in note 43 and note 44.

vii. Provisions and contingent liabilities

The Group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Group uses significant judgements to disclose contingent liabilities.

viii. 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.

The Group reassesses the lease term upon the occurrence of a significant event or a significant change in circumstances that is within the control of the Group and affects whether it is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

2.4 Principles of consolidation:

The consolidated financial statements have been prepared on the following basis:

i. 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.

ii. 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 unrealised profits or losses have been fully eliminated. These financial statements are prepared by applying uniform accounting policies in use at the Company.

iii. 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 recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. Alternatively, where the share of net fair value of identifiable assets, liabilities

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2023

(Amount in ₹ million)

and contingent liabilities of the subsidiary companies, on the acquisition date, is in excess of cost of acquisition, it is immediately recognised as gain in other comprehensive income and the same is accumulated as capital reserve in equity.

iv. 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.

v. The investments in joint ventures and an associate are accounted for using equity method. The investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the Company's share of the profit or loss of the investee after the date of acquisition. The Company's share of profit or loss includes its share of the investee's profit or loss and the Company's other comprehensive income includes its share of the investee's other comprehensive income.

2.5 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 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.

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. 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 considered as a bargain purchase gain which is recognised immediately in other comprehensive income and the same is accumulated as capital reserve in equity. Goodwill is measured at cost less accumulated impairment losses.

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 recognised directly in equity and attributed to the owners of the Group.

v. When the Group loses control on a subsidiary, the assets and liabilities of that subsidiary and non-controlling interest, if any, are derecognised from the consolidated financial statements. The investment retained, if any, is recognised at fair value on that date. The gain or loss associated with the loss of control, attributable to the former controlling interest, is recognised 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.

vii. Business combinations involving entities under common control is accounted for at carrying value using the pooling of interest method.

viii. Contingent consideration forming part of any business combination and eligible to be considered as purchase consideration is measured and recognized as a liability at fair value at the date of acquisition; subsequent changes to fair value of the liability is recognized in the consolidated Statement of Profit and Loss.

ix. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group reports in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the Group retrospectively adjusts the provisional amounts recognised at the acquisition date to reflect new information

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2023

(Amount in ₹ million)

obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date.

During the measurement period, the Group also recognises additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date.

The measurement period ends as soon as the Group receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable but does not exceed one year from the acquisition date.

2.6 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 realised 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 realised 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 realisation in cash or cash equivalents. The operating cycle of the Group is less than twelve months.

2.7 Foreign currency transactions

a. Functional and presentation currency

Indian Rupee is the Group's functional as well as presentation 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 realised exchange differences are recognised 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.

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2023

(Amount in ₹ million)

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 recognised.

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.

2.8 Financial instruments

a. Initial recognition

Financial assets and liabilities are recognised 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 recognised in other comprehensive income.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognised 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.

A contract to pay or receive a fixed amount on the occurrence or non-occurrence of a future event is considered to a derivative,

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2023

(Amount in ₹ million)

provided that this future event depends on a financial variable or a non-financial variable not specific to a party to the contract. The Group considers EBITDA, profit, sales volume (e.g. revenue) or the cash flows of one counterparty to be non-financial variable that are specific to a party to the contract.

Financial assets or financial liabilities, at fair value through profit or loss

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised 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 realised 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 recognised 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 recognised 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 recognised 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 recognised 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 recognised as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/ from other equity.

c. Derecognition of financial instruments

The group derecognises 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 derecognised from the group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

d. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities cannot be measured based on quoted prices in active markets, 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 realised.

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2023

(Amount in ₹ million)

For all other financial instruments the carrying amount approximates fair value due to short maturity of those instruments.

e. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.9 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 , then 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 recognised in the Statement of Profit and Loss. Assets under construction are disclosed as capital work-in-progress.

2.10 Leases

A contract, or part of a contract, is a lease if that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

The Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

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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.

The Group recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in the Statement of Profit and Loss.

The Group has elected not to apply the requirements of Ind-AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease. If a head lease is a short term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease. If an arrangement contains lease and non-lease components, the Group applies Ind-AS 115 Revenue to allocate the consideration in the contract.

2.11 Intangible assets

Intangible assets are stated at cost less accumulated amortisation 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 capitalised 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 capitalised 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 recognised in the Statement of Profit and Loss as incurred.

Intangible fixed assets are derecognised on disposal or when no future economic benefits are expected from its use and subsequent disposal or when the economic benefits are not measurable.

2.12 Depreciation and amortisation

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	30
Plant and equipment(1)	3-5
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

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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.

The right-of-use assets is depreciated over shorter of useful life and lease term.

Perpetual software licenses are amortised over 4 years. However, time-based software licenses are amortised over the license period.

Capitalised development costs are amortised 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. The amortisation period ranges from 5 to 10 years.

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.

2.13 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 recognises 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 recognised is recorded as an impairment gain or loss in Statement of Profit or Loss.

The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considers current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates. While assessing the recoverability of receivables including unbilled receivables, the Group has considered internal and external information up to the date of approval of these consolidated financial statements including credit reports and economic forecasts. The Group expects to recover the carrying amount of these assets.

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 recognised 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

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amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Such a reversal is recognised 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.

The goodwill impairment test is performed at the level of the CGU or groups of CGUs which are benefiting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

2.14 Inventories

Inventories which comprise raw materials, work-in-progress, finished goods and stores and spares, are carried at the lower of cost and net realisable 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.

2.15 Provisions, Contingent liabilities and Contingent assets

The Group recognises 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 recognised 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 recognised 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 recognised in the consolidated financial statements since this may result in the recognition of income that may never be realised.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Group recognises 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 accounts for the provision for warranty on the basis of the information available with the Management duly taking into account the historical experience and current estimates.

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2.16 Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a short maturity of three months or less from the date of investment.

2.17 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

2.18 Revenue recognition

The Group derives revenues primarily from providing engineering services which includes design engineering services, embedded software development with its related services and from the sale of licenses and products.

The following is the summary of significant accounting policies related to revenue recognition:

Revenue is recognised upon transfer of control of promised services or products to customers for an amount that reflects the consideration expected to be received in exchange of those services or products.

Arrangements with customers for such engineering & its related services are bifurcated into following key categories:

a. Revenue on time and material contracts for the reporting period is recognised as and when the related services are performed and billed to the end customers. If billing for the related services is not done during the reporting period, revenue is recognised as unbilled revenue at the end of the reporting period.

b. Revenue from fixed price contracts where the performance obligations are directly linked to costs expended and are satisfied over time and there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. Costs expended have been used to measure progress towards completion as generally there is a direct relationship between input and output in respect of work completed.

c. Maintenance revenue is recognised ratably over the term of the underlying maintenance arrangement.

d. Revenue from client training, support and other services arising due to the sale of software products is recognised as the services are performed.

e. Revenue from internally developed software product licenses where the customer obtains a "right to use" the license is recognised at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognised over the access period.

f. Revenue from sale of third party licenses is recognised only when the sale is completed by passing ownership.

g. Revenue from sale of hardware products is recognised upon actual delivery of goods along with transfer of control and significant risks and rewards to the customers.

The following are the details of key significant accounting policies related to revenue recognition for all the above mentioned categories:

a. Revenue in excess of invoicing is classified either as contract asset (unbilled revenue) or financial asset (unbilled revenue), while invoicing in excess of revenue is classified as contract liabilities (unearned revenue).

b. Unbilled revenue is classified as contract asset when there is a right to consideration in exchange for goods or services which is conditional on something other than the passage of time. Whereas, it is classified as financial asset when such right to consideration in exchange for goods or services is conditional only on passage of time.

c. Amount billed in advance, without services being rendered, is classified as unearned revenue (contract liabilities).

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses and

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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.

d. The Group accounts for volume and/ or trade discounts to customers as a reduction of revenue. Also, when the level of discount varies with increases in levels of revenue transactions, the Group recognises the liability based on its estimate of the customer's future purchases. The Group recognises changes in the estimated amount of obligations for discounts in the period in which the change occurs. The discounts are passed on to the customer either as direct payments or as a reduction of payments due from the customer.

e. When there is an uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

f. In accordance with Ind-AS 37, provision for onerous contract/ estimated losses, if any, on uncompleted contracts are recorded in a period in which such losses become probable on the expected contract estimates at the period end date.

g. The Group presents revenues net of indirect tax in its Statement of Profit and Loss.

h. Arrangements to deliver software products generally have three elements: license, implementation and Annual Technical Services(ATS). The Group has applied the principles under Ind-AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts is allocated to each performance obligation of the contract based on its relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customised as part of the implementation service, the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognised using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognised as the performance obligations are satisfied. ATS revenue is recognised ratably over the period in which the services are rendered.

i. 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.

Significant judgments in revenue recognition:

a. 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 judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

b. 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. 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 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.

c. The Group uses judgment to determine an appropriate standalone selling price for a performance obligation. The Group allocates

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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.

d. 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.

e. Revenue from fixed price contracts where the performance obligations are directly linked to costs expended and are satisfied over time and there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. The Group 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.

2.19Other income

Other income primarily consist of interest income, dividend income, net gain on investment and net foreign exchange gain. Interest income is recognised using the effective interest method. Dividend income is recognised when right to receive payment is established.

2.20 Finance costs

Finance costs include interest cost on borrowings and lease liabilities. Borrowing costs are recognised using effective interest rate method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised 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.

2.21 Employee benefits

a. 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 recognised in other comprehensive income for the period in which they occur. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss. Past service cost is recognised 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 recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised 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.

b. 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 in India and other foreign contribution plans which are defined contribution plans. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

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c. 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.

d. Other employee benefits

The undiscounted amount of short-term employee benefits and discounted amount of long term employee benefit, expected to be paid in exchange for the services rendered by employees, is recognised 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.

2.22 Research and development:

Costs incurred during the research phase of a project are expensed when incurred. Costs incurred in the development phase are recognised as an intangible asset in accordance with policy defined in 2.11.

2.23 Employee stock option

In respect of stock options granted pursuant to the Group's Employee Stock Option Scheme, the Group recognises 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.

When the terms of the share-based payment arrangement are modified, the minimum expense recognised is the expense had the terms not been modified. Additional expense is recognised on modification that increase the total fair value of the share-based payment arrangement or are otherwise beneficial to the employee. Where the grant of equity instruments is cancelled by the entity, the remaining fair value is recognised immediately in the Statement of Profit and Loss.

For the stock options granted to the employees of the subsidiaries, the share based compensation expenses are charged to the respective subsidiary.

2.24 Dividend

The Company declares and pays dividends in Indian rupees. Final dividend and interim dividend on equity shares are recorded as a liability on approval by the shareholders and on declaration by the Company's Board of Directors respectively. Dividends declared by the Company are based on profits available for distribution.

2.25 Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income. Current income tax for current and prior periods is recognised 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 recognised 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 recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred

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income tax asset is recognised 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 recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternate Tax

Minimum Alternate Tax ("MAT") under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised 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 recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

2.26 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 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.

2.27 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April 2023, as below:

Ind-AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind-AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind-AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company is evaluating the impact, if any, in its financial statements.

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(Amount in ₹ million)

3 Property, plant and equipment

	Building	Leasehold improvements	Plant and Equipment	Furniture and Fixtures	Vehicles Owned	Office Equipment	Total
Gross carrying amount as at 1 April 2021	**1,036.72**	**232.68**	**1,196.02**	**238.35**	**52.96**	**490.97**	**3,247.70**
Additions	69.75	2.40	282.91	10.85	-	36.71	402.62
Additions on account of acquisition	-	4.68	38.45	6.18	0.66	3.15	53.12
Disposal/retirement/derecognition	18.06	38.81	85.80	20.60	6.76	62.04	232.07
Exchange difference on translation	-	(1.69)	(1.87)	(1.58)	(0.15)	(2.02)	(7.31)
Gross carrying amount as at 31 March 2022	**1,088.41**	**199.26**	**1,429.71**	**233.20**	**46.71**	**466.77**	**3,464.06**
Accumulated depreciation as at 1 April 2021	**80.33**	**123.38**	**702.44**	**113.80**	**31.61**	**228.03**	**1,279.59**
Additions on account of acquisition	-	2.02	16.03	1.05	0.04	1.28	20.42
Depreciation for the year	36.58	10.64	255.03	26.62	6.12	43.22	378.21
Disposal/retirement/derecognition	2.52	21.82	61.41	17.53	6.64	36.50	146.42
Exchange difference on translation	-	(0.30)	(1.78)	(0.74)	(0.14)	(1.50)	(4.46)
Accumulated depreciation as at 31 March 2022	**114.39**	**113.92**	**910.31**	**123.20**	**30.99**	**234.53**	**1,527.34**
Carrying amount as at 31 March 2021	**956.39**	**109.30**	**493.58**	**124.55**	**21.35**	**262.94**	**1,968.11**
Carrying amount as at 31 March 2022	**974.02**	**85.34**	**519.40**	**110.00**	**15.72**	**232.24**	**1,936.72**
Gross carrying amount as at 1 April 2022	**1,088.41**	**199.26**	**1,429.71**	**233.20**	**46.71**	**466.77**	**3,464.06**
Additions	9.46	13.03	446.11	12.78	20.29	42.03	543.70
Additions on account of acquisition	-	2.06	171.25	43.78	19.03	74.29	310.41
Disposal/retirement/derecognition	-	-	329.00	13.16	5.92	23.37	371.45
Exchange difference on translation	-	4.04	39.17	10.14	1.53	12.76	67.64
Gross carrying amount as at 31 March 2023	**1,097.87**	**218.39**	**1,757.24**	**286.74**	**81.64**	**572.48**	**4,014.36**
Accumulated depreciation as at 1 April 2022	**114.39**	**113.92**	**910.31**	**123.20**	**30.99**	**234.53**	**1,527.34**
Additions on account of acquisition	-	0.45	113.34	14.05	9.82	68.83	206.49
Depreciation for the year	37.57	30.78	293.23	28.86	8.62	46.87	445.93
Disposal/retirement/derecognition	-	-	319.04	11.78	5.92	22.61	359.35
Exchange difference on translation	-	2.07	30.76	4.64	1.43	11.16	50.06
Accumulated depreciation as at 31 March 2023	**151.96**	**147.22**	**1,028.60**	**158.97**	**44.94**	**338.78**	**1,870.47**
Carrying amount as at 31 March 2022	**974.02**	**85.34**	**519.40**	**110.00**	**15.72**	**232.24**	**1,936.72**
Carrying amount as at 31 March 2023	**945.91**	**71.17**	**728.64**	**127.77**	**36.70**	**233.70**	**2,143.89**

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

4 Right-of-use assets

	Building (Leasehold)	Land (Leasehold)	Vehicles Leased	Total
Gross carrying amount as at 1 April 2021	**2,688.92**	**423.90**	**6.70**	**3,119.52**
Additions	501.72	-	-	501.72
Additions on account of acquisition	85.69	-	-	85.69
Derecognition/adjustments	324.79	-	-	324.79
Exchange difference on translation	(22.14)	-	-	(22.14)
Gross carrying amount as at 31 March 2022	**2,929.40**	**423.90**	**6.70**	**3,360.00**
Accumulated depreciation as at 1 April 2021	**582.44**	**25.31**	**6.70**	**614.45**
Additions on account of acquisition	42.40	-	-	42.40
Depreciation for the year	433.16	4.64	-	437.80
Derecognition/adjustments	233.25	-	-	233.25
Exchange difference on translation	(4.72)	-	-	(4.72)
Accumulated depreciation as at 31 March 2022	**820.03**	**29.95**	**6.70**	**856.68**
Carrying amount as at 31 March 2021	**2,106.48**	**398.59**	**-**	**2,505.07**
Carrying amount as at 31 March 2022	**2,109.37**	**393.95**	**-**	**2,503.32**
Gross carrying amount as at 1 April 2022	**2,929.40**	**423.90**	**6.70**	**3,360.00**
Additions	190.90	-	53.01	243.91
Additions on account of acquisition	377.87	-	0.83	378.70
Derecognition/adjustments	183.51	-	6.95	190.46
Exchange difference on translation	145.91	-	0.10	146.01
Gross carrying amount as at 31 March 2023	**3,460.57**	**423.90**	**53.69**	**3,938.16**
Accumulated depreciation as at 1 April 2022	**820.03**	**29.95**	**6.70**	**856.68**
Additions on account of acquisition	-	-	-	-
Depreciation for the year	476.76	4.64	16.81	498.21
Derecognition/adjustments	47.57	-	6.95	54.52
Exchange difference on translation	42.32	-	1.13	43.45
Accumulated depreciation as at 31 March 2023	**1,291.54**	**34.59**	**17.69**	**1,343.82**
Carrying amount as at 31 March 2022	**2,109.37**	**393.95**	**-**	**2,503.32**
Carrying amount as at 31 March 2023	**2,169.03**	**389.31**	**36.00**	**2,594.34**

5 Capital work-in-progress ageing schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at 31 March 2023					
Projects in progress	56.43	-	-	-	56.43
Project temporarily suspended	-	-	-	-	-
Total	**56.43**	**-**	**-**	**-**	**56.43**
As at 31 March 2022					
Projects in progress	4.09	-	-	-	4.09
Project temporarily suspended	-	-	-	-	-
Total	**4.09**	**-**	**-**	**-**	**4.09**

Note:

(i) As on the date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

6 Goodwill

	31 March 2023	31 March 2022
Carrying amount at the beginning of the year	1,678.66	1,013.76
Additions on account of acquisition of SOMIT Solutions Limited (Refer note 51.3)	609.69	-
Additions on account of acquisition of PathPartner Technology Private Limited (Refer note 51.1)	(29.43)	718.09
Additions on account of acquisition of Technica Group (Refer note 51.4)	7,801.51	-
Impairment	-	40.94
Exchange difference on translation	42.14	(12.25)
Carrying amount at the end of the year	**10,102.57**	**1,678.66**

Allocation of goodwill to cash-generating units (CGU)

	31 March 2023	31 March 2022
KPIT Technologies GmbH	239.97	239.97
MicroFuzzy Industrie-Elektronic GmbH	762.71	720.60
PathPartner Technology Private Limited (Refer note 51.1)	688.67	718.09
SOMIT Solutions Limited (Refer note 51.3)	609.71	-
Technica Group (Refer note 51.4)	7,801.51	-
	10,102.57	**1,678.66**

Goodwill has been allocated for impairment testing purposes to the underlying CGU identified at entity level.

The estimated value-in-use of these CGUs are based on the future discounted free cash flows using an annual revenue growth rate for periods subsequent to the forecast period upto 5 years and the respective discount rates. 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 CGUs would decrease below its carrying amount. The range of each assumption used is mentioned below:

Assumptions	31 March 2023	31 March 2022
Growth rate	14.00% to 33.00%	8.00% to 12.00%
Terminal growth rate	3.00% to 3.50%	2.00%
Operating margins	7.00% to 24.00%	3.40% to 19.30%
Discount rate	12.29% to 13.87%	8.60%

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

7 Other intangible assets

	Internally Generated		Other than Internally Generated		Total
	Product Development Cost	Technical know how	Software	Customer relationship	
Gross carrying amount as at 1 April 2021	**932.05**	**9.51**	**1,451.40**	**-**	**2,392.96**
Additions	-	2.50	382.12	-	384.62
Additions on account of acquisition	-	-	5.94	-	5.94
Disposal/retirement/derecognition	-	9.51	179.89	-	189.40
Exchange difference on translation	(0.37)	-	(1.40)	-	(1.77)
Gross carrying amount as at 31 March 2022	**931.68**	**2.50**	**1,658.17**	**-**	**2,592.35**
Accumulated amortisation as at 1 April 2021	**923.60**	**9.51**	**1,177.68**	**-**	**2,110.79**
Additions on account of acquisition	-	-	2.47	-	2.47
Amortisation for the year	8.45	-	371.68	-	380.13
Disposal/retirement/derecognition	-	9.51	179.89	-	189.40
Exchange difference on translation	(0.37)	-	(1.04)	-	(1.41)
Accumulated amortisation as at 31 March 2022	**931.68**	**-**	**1,370.90**	**-**	**2,302.58**
Carrying amount as at 31 March 2021	**8.45**	**-**	**273.72**	**-**	**282.17**
Carrying amount as at 31 March 2022	**-**	**2.50**	**287.27**	**-**	**289.77**
Gross carrying amount as at 1 April 2022	**931.68**	**2.50**	**1,658.17**	**-**	**2,592.35**
Additions	-	-	447.35	-	447.35
Additions on account of acquisition	-	-	24.57	1,783.83	1,808.40
Disposal/retirement/derecognition	-	-	-	-	-
Exchange difference on translation	5.97	-	9.09	-	15.06
Gross carrying amount as at 31 March 2023	**937.65**	**2.50**	**2,139.18**	**1,783.83**	**4,863.16**
Accumulated amortisation as at 1 April 2022	**931.68**	**-**	**1,370.90**	**-**	**2,302.58**
Additions on account of acquisition	-	-	19.14	-	19.14
Amortisation for the year	-	0.83	455.21	63.61	519.65
Disposal/retirement/derecognition	-	-	-	-	-
Exchange difference on translation	5.97	-	9.20	3.00	18.17
Accumulated amortisation as at 31 March 2023	**937.65**	**0.83**	**1,854.45**	**66.61**	**2,859.54**
Carrying amount as at 31 March 2022	**-**	**2.50**	**287.27**	**-**	**289.77**
Carrying amount as at 31 March 2023	**-**	**1.67**	**284.73**	**1,717.22**	**2,003.62**

8 Intangible assets under development ageing schedule

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at 31 March 2023					
Projects in progress	268.77	-	-	-	268.77
Project temporarily suspended	-	-	-	-	-
Total	**268.77**	**-**	**-**	**-**	**268.77**
As at 31 March 2022					
Projects in progress	-	-	-	-	-
Project temporarily suspended	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

Note:

(i) As on the date of the balance sheet, there are no intangible assets under development whose completion is overdue or has exceeded the cost, based on approved plan.

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

9 Investments accounted for using the equity method

	31 March 2023	31 March 2022
Yantra Digital Services Private Limited (Refer note ii below)	-	169.59
Nil (Previous year 5,400) equity shares of ₹ 10 each fully paid		
Less: Share of accumulated losses	-	169.59
	-	-
FMS Future Mobility Solutions GmbH	215.88	211.64
100,001 (Previous year 100,001) equity shares of EUR 1 each fully paid		
Add: Exchange difference on translation	12.37	-
Add: Share of profit	23.97	4.24
	252.22	215.88
PathPartner Interior Sensing Private Limited (Refer note iii below)	0.26	2.52
Nil (Previous year 252,000) equity shares of ₹ 10 each fully paid		
Add: Share of loss	-	(2.26)
Less: Sale of investment	(0.26)	-
	-	0.26
	252.22	**216.14**

Note:

(i) The Group has no material associate/joint venture for the disclosures as per Ind-AS 112.

(ii) Liquidated with effect from 23 August 2022.

(iii) Sold an investment in PathPartner Interior Sensing Private Limited on 23 September 2022.

10 Non current investments

(Unquoted)

	31 March 2023	31 March 2022
Investments in equity instruments of other entities measured at fair value through profit or loss		
Munchner bank	0.45	0.42
100 (Previous year 100) equity shares of EUR 50 each fully paid up		
	0.45	**0.42**

Note:

(i) Information about the Group's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 39.

11 Other financial assets

(Unsecured, considered good unless otherwise stated)

	31 March 2023	31 March 2022
Fixed deposits with banks	288.06	277.93
Earmarked balances with banks	139.77	128.87
Security deposits	131.37	127.98
Interest accrued on fixed deposits	9.14	4.05
	568.34	**538.83**

Note:

(i) Information about the Group's exposure to credit risk and foreign currency risk is disclosed in note 39.

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

12 Deferred tax assets (net)

	31 March 2023	31 March 2022
Deferred tax assets		
Provision for bad and doubtful debts and advances	36.20	23.33
Excess of depreciation/amortisation on property, plant and equipment and other intangible assets provided in accounts over depreciation/amortisation under income-tax law	2.26	17.91
Provision for compensated absences	42.11	29.75
Provision for gratuity	83.19	61.73
Forward contracts designated as cash flow hedges	27.06	-
MAT credit entitlement	332.76	466.16
Others	179.88	221.63
	703.46	**820.51**
Deferred tax liabilities		
Excess of depreciation/amortisation on property, plant and equipment and other intangible assets under income tax law over depreciation/amortisation provided in accounts	-	5.88
Forward contracts designated as cash flow hedges	-	30.94
Others	4.76	19.86
	4.76	56.68
	698.70	**763.83**

13 Other non-current assets

(Unsecured, considered good unless otherwise stated)

	31 March 2023	31 March 2022
Capital advances	5.89	7.14
Prepaid expenses	2.11	1.36
Others	-	-
	8.00	**8.50**

14 Inventories

	31 March 2023	31 March 2022
Raw materials	333.08	-
Work-in-progress	99.00	-
Finished goods	155.42	-
	587.50	**-**

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

15 Current investments

(Quoted)

	31 March 2023	31 March 2022
Investments measured at fair value through profit or loss		
Mutual fund units (Refer note i below)	368.82	1,045.55
Shares of Birlasoft Limited held by KPIT Employee Welfare Trust	20.70	30.13
	389.52	1,075.68

Note:

(i) Details of investment in mutual fund units

Particulars	31 March 2023		31 March 2022	
	Units	Amount	Units	Amount
Axis Overnight Fund - Regular Growth	144,293.89	170.66	-	-
ICICI Prudential Money Market Fund - Growth	-	-	345,508.27	105.12
NIPPON India Money Market Fund - Growth plan growth option	-	-	42,750.38	141.99
UTI Money Market Fund - Regular Growth Plan	-	-	100,397.33	247.72
Aditya Birla Sun Life Liquid Fund - Growth - Regular Plan	50,005.26	60.31	268,462.97	91.39
DSP Overnight Fund - Growth - Regular plan	83,703,972.00	100.14	-	-
Kotak Money Market Fund - Growth - Regular plan	-	-	31,918.21	114.92
L&T Liquid Fund - Regular Growth	-	-	49,010.18	142.14
Mirae Asset Cash Management Fund - Regular Plan Growth	-	-	59,142.65	131.08
HDFC Liquid Fund - Direct Plan - IDCW - Daily Reinvest	36,980.14	37.71	69,798.77	71.19
Total investment in mutual fund units		368.82		1,045.55

(ii) The details of aggregate value of quoted investments are disclosed in note 39.

16 Trade receivables

(Unsecured)

	31 March 2023	31 March 2022
Trade receivables - billed		
Trade receivables - considered good	5,924.40	3,714.47
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	287.80	193.79
	6,212.20	3,908.26
Less: Allowances for bad and doubtful trade receivables	287.80	193.79
Total trade receivables - billed	**5,924.40**	**3,714.47**
Trade receivables - unbilled (Refer note i below)	**1,823.21**	**695.41**
	7,747.61	4,409.88

Note:

(i) Unbilled revenue is not outstanding for more than 90 days.

(ii) Refer note 19 for ageing of trade receivables

(iii) Information about the Group's exposure to credit risk and market risk is disclosed in note 39.

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

17 Cash and cash equivalents

	31 March 2023	31 March 2022
Cash on hand	0.41	0.44
Cheques in hand	5.47	-
Balances with banks		
In current accounts	3,690.31	3,094.33
In deposit accounts with original maturity of 3 months or less	845.94	325.86
	4,542.13	**3,420.63**

Note:

(i) Information about the Group's exposure to credit risk, liquidity risk and market risk is disclosed in note 39.

18 Other balances with banks

	31 March 2023	31 March 2022
Balances with banks		
In overseas money manager accounts	657.70	1,437.80
In unclaimed dividend accounts	3.42	1.98
In deposit accounts with remaining maturity of less than 12 months (Refer note i below)	288.07	4,067.56
	949.19	**5,507.34**

Note:

(i) It includes earmarked balance amounting to ₹ 175 million.

(ii) Information about the Group's exposure to credit risk, liquidity risk and market risk is disclosed in note 39.

19 Trade receivables ageing schedule

As at 31 March 2023

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	4,496.63	1,357.03	70.04	0.70	-	-	5,924.40
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	122.92	80.58	77.00	2.57	4.73	287.80
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	4,496.63	**1,479.95**	**150.62**	**77.70**	**2.57**	**4.73**	**6,212.20**
Less: Allowances for bad and doubtful trade receivables - billed							287.80
							5,924.40
Trade receivables - unbilled							1,823.21
							7,747.61

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

As at 31 March 2022

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	2,910.21	803.09	-	-	1.17	-	3,714.47
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	31.33	82.57	14.66	44.95	20.28	193.79
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	2,910.21	**834.42**	**82.57**	**14.66**	**46.12**	**20.28**	**3,908.26**

Less: Allowances for bad and doubtful trade receivables - billed	193.79
	3,714.47
Trade receivables - unbilled	695.41
	4,409.88

20 Other current financial assets

(Unsecured, considered good unless otherwise stated)

	31 March 2023	31 March 2022
Interest accrued on fixed deposits	12.01	87.47
Security deposits	36.07	7.27
Forward contracts designated as cash flow hedges (Refer Note 39.3)	-	88.85
Receivable from related parties (Refer note 50)	8.51	-
Finance lease receivables	3.79	-
Other receivables	223.34	96.14
	283.72	**279.73**

Note:

(i) Information about the Group's exposure to credit risk and market risk is disclosed in note 39.

21 Other current assets

(Unsecured, considered good unless otherwise stated)

	31 March 2023	31 March 2022
Advance to suppliers	49.97	37.93
Employee advances		
Considered good	109.55	69.09
Considered doubtful	26.55	6.75
	136.10	75.84
Less: Provision for doubtful advances	26.55	6.75
	109.55	69.09

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

	31 March 2023	31 March 2022
Balances with statutory authorities	113.37	68.17
Contract assets (Refer note 42)	39.24	119.86
Prepaid expenses	203.92	153.29
	516.05	448.34

22 Equity share capital

	31 March 2023	31 March 2022
Authorised:		
450,000,000 (Previous year 450,000,000) equity shares of ₹ 10 each.	4,500.00	4,500.00
	4,500.00	4,500.00
Issued subscribed and fully paid up:		
270,346,390 (Previous year 270,016,575) equity shares of ₹ 10 each fully paid up	2,703.46	2,700.17
	2,703.46	2,700.17

22.1 The Company has only one class of shares referred to as equity shares having a par value of ₹ 10. Each shareholder of equity shares is entitled to one vote per share.

22.2 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.

22.3 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares outstanding at the beginning of the year	270,016,575	2,700.17	269,043,560	2,690.44
Add : Shares issued on exercise of employee stock options	737,315	7.37	973,015	9.73
Less: Shares purchased from secondary market towards the grant of new stock options	407,500	4.08	-	-
Equity shares outstanding at the end of the year	**270,346,390**	**2,703.46**	**270,016,575**	**2,700.17**

22.4 Number of equity shares held by each shareholder holding more than 5% shares in the Company are as follows:

Name of the shareholder	Number of shares as at 31 March 2023	% of shares held	Number of shares as at 31 March 2022	% of shares held
Proficient Finstock LLP	88,861,500	32.41%	88,861,500	32.41%

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

22.5 Shareholding of promoters:

Name of the promoter	Number of shares as at 31 March 2023	% of shares held	Percentage change during the year ended on 31 March 2023
Mr. S. B. (Ravi) Pandit	989,306	0.36%	0.00%
Ms. Nirmala Pandit	239,000	0.09%	0.00%
Mr. Chinmay Pandit	38,620	0.01%	0.00%
Mr. Kishor Patil	13,345,605	4.87%	0.00%
Ms. Anupama Patil	116,330	0.04%	-0.55%
Mr. Shrikrishna Patwardhan	1,100,000	0.40%	0.00%
Mr. Ajay Shridhar Bhagwat	2,455,800	0.90%	-0.06%
Ms. Ashwini Ajay Bhagwat jointly held with Mr. Ajay Bhagwat	43,300	0.02%	0.00%
Mr. Sachin Dattatraya Tikekar	741,150	0.27%	0.00%
Ms. Hemalata A Shende	20,000	0.01%	0.00%
Proficient Finstock LLP	88,861,500	32.41%	0.00%
K and P Management Services Private Limited	300,910	0.11%	0.00%

22.6 Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date-Nil (Previous year Nil).

22.7 Dividend

The Company declares and pays dividends in Indian rupees.

Cash dividends on equity shares declared and paid:

Particulars	31 March 2023	31 March 2022
Final dividend for the year ended on 31 March 2022: ₹ 1.85 per share (Previous year ₹ 1.50 per share)	499.83	403.91
Interim dividend for the year ended on 31 March 2023: ₹ 1.45 per share (Previous year ₹ 1.25 per share)	391.80	337.39
Total dividend paid	**891.63**	**741.30**

Proposed dividend:

The Board of Directors at its meeting held on 26 April 2023, has recommended a final dividend of ₹ 2.65 per equity share for the year ended 31 March 2023, which is subject to the approval of shareholders at the Annual General Meeting.

22.8 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.

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

23 Non-current borrowings

	31 March 2023	31 March 2022
Term loans		
From banks (secured) (Refer note i and ii below)	2.26	5.52
From institution other than banks (unsecured) (Refer note iii below)	-	13.13
	2.26	**18.65**

Notes:

(i) Term loans from bank includes a loan secured against fixed assets obtained under the loan arrangement. The loan carries interest upto 8.60 % p.a. and is repayable in equated monthly installments of ₹ 0.15 million each upto July 2025.

(ii) Term loans from bank includes a loan secured against fixed assets obtained under the loan arrangement. The loan carries interest upto 8.70 % p.a. and is repayable in equated monthly installments of ₹ 0.22 million each upto November 2023.

(iii) Term loan from institution other than banks consist of unsecured loan, carrying interest rate of 3% p.a. The loan is fully repaid during the current year.

(iv) Information about the Group's exposure to market risk and liquidity risk is disclosed in note 39.

24 Other non-current financial liabilities

	31 March 2023	31 March 2022
Purchase consideration payable		
SOMIT Solutions Limited	167.73	-
Technica Group	2,507.98	-
Accrued employee costs	174.45	443.81
Contractual obligation - towards acquisition of balance non-controlling stake	-	482.96
	2,850.16	**926.77**

Note:

(i) Information about the Group's exposure to liquidity risk is disclosed in note 39.

25 Non-current provisions

	31 March 2023	31 March 2022
Provision for employee benefits		
Compensated absences	97.19	74.33
Gratuity (Refer note 43)	278.26	179.96
	375.45	**254.29**

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

26 Deferred tax liabilities (net)

	31 March 2023	31 March 2022
Deferred tax liabilities		
Excess of depreciation/amortisation on property, plant and equipment and other intangible assets under income-tax law over depreciation/amortisation provided in accounts	0.06	0.07
Customer relationship	600.06	-
Deferred tax liabilities	**600.12**	**0.07**

27 Current borrowings

	31 March 2023	31 March 2022
Working capital loans		
From bank (Refer note i below)	67.21	-
From institution other than banks (Refer note ii below)	418.82	-
Current maturities of long term borrowings (Refer note iii below)		
From banks (secured)	3.81	4.37
From institution other than banks (unsecured)	-	2.78
	489.84	**7.15**

Note:

(i) Working capital loan from bank carries an interest rate of 1.95% p.a. and is repayable in equated quarterly installments of EUR 2.50 million each upto December 2023.

(ii) Working capital loan from an institution other than banks carries an interest rate of 3% p.a. above the base interest rate as per German Civil Code and is repayable on demand.

(iii) Refer note 23 for the details of security and repayment terms.

(iv) Information about the Group's exposure to market risk and liquidity risk is disclosed in note 39.

28 Trade payables

Trade payables ageing schedule

	Unbilled/ Not due	Outstanding for following periods from the transaction date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2023						
MSME	-	3.53	-	-	-	3.53
Others	1,201.76	434.99	2.06	-	1.01	1,639.82
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	1,201.76	**438.52**	**2.06**	**-**	**1.01**	**1,643.35**
As at 31 March 2022						
MSME	-	5.64	0.06	-	-	5.70
Others	1,135.79	220.85	1.81	1.00	7.15	1,366.60
Disputed dues - MSME	-	-	-	-	-	-

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

	Unbilled/ Not due	Outstanding for following periods from the transaction date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Disputed dues - Others	-	-	-	-	-	-
	1,135.79	**226.49**	**1.87**	**1.00**	**7.15**	**1,372.30**

Note:

(i) Information on MSME is disclosed in note 49.

(ii) Information about the Group's exposure to liquidity risk is disclosed in note 39.

29 Other current financial liabilities

	31 March 2023	31 March 2022
Purchase consideration payable		
MicroFuzzy Industrie-Elektronic GmbH	-	8.47
SOMIT Solutions Limited	20.95	-
PathPartner Technology Private Limited	176.07	263.96
Technica Group	2,130.41	-
Contractual obligation - towards acquisition of balance non-controlling stake	516.33	418.49
Accrued employee costs	1,114.46	1,131.12
Unclaimed dividends	3.41	1.98
Capital creditors	66.01	41.31
Forward contracts designated as cash flow hedges (Refer note 39.3)	78.61	-
Others	341.96	33.95
	4,448.21	**1,899.28**

Note:

(i) Information about the Group's exposure to market risk and liquidity risk is disclosed in note 39.

30 Other current liabilities

	31 March 2023	31 March 2022
Unearned revenue (Refer note 42)	2,600.86	1,715.33
Advance received from customers	16.19	-
Statutory liabilities	996.90	662.34
Advance from related parties (Refer note 50)	-	43.37
Others	0.47	-
	3,614.42	**2,421.04**

31 Current provisions

	31 March 2023	31 March 2022
Provision for employee benefits		
Compensated absences	248.93	187.25
Gratuity (Refer note 43)	84.00	88.27
Other provisions		
Provision for onerous contracts	-	0.25
Provision for warranty (Refer note 48.1)	184.32	123.10
Provision for claims (Refer note 48.2)	-	259.58
	517.25	**658.45**

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

32 Revenue from operations (Refer note 42)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Software services	32,720.16	24,314.37
Sale of products		
Finished goods	930.22	9.49
	33,650.38	**24,323.86**

33 Other income

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income	140.59	194.33
Dividend income (Refer note i below)	3.29	3.60
Net gain on disposal of property, plant and equipments	6.72	-
Net foreign exchange gain	100.43	129.78
Net unrealised gain on investments carried at fair value through profit or loss (Refer note ii below)	-	50.67
Other non operating income (net of expenses directly attributable to such income) (including miscellaneous income)	150.89	69.71
	401.92	**448.09**

Note:

(i) This represents the dividend income of:

a. ₹ 1.88 million (Previous year ₹ 0.93 million) from investment in mutual fund units;

b. ₹ 1.41 million (Previous year ₹ 2.67 million) on shares in Birlasoft Limited, held by KPIT Employee Welfare Trust.

(ii) This represents the gain on fair valuation of:

a. shares in Birlasoft Limited, held by KPIT Employee Welfare Trust;

b. investment in mutual fund units.

34 Cost of materials consumed

	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventory of materials at the beginning of the period	-	-
Add: On account of acquisition	573.00	-
Add: Purchases	418.88	-
Less: Inventory of materials at the end of the period	333.08	-
	658.80	**-**

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

35 Changes in inventories of finished goods and work-in-progress

	For the year ended 31 March 2023	For the year ended 31 March 2022
Finished goods		
Inventories at the beginning of the year	-	-
Inventories at the end of the year	155.42	-
	(155.42)	**-**
Work-in-progress		
Inventories at the beginning of the year	-	-
Inventories at the end of the year	99.00	-
	(99.00)	-
	(254.42)	**-**

36 Employee benefits expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and incentives	20,972.65	15,748.21
Contributions to provident fund	363.47	231.39
Share based compensation to employees (Refer note 44)	118.74	87.97
Staff welfare expenses	98.14	38.42
	21,553.00	**16,105.99**

37 Finance costs

	For the year ended 31 March 2023	For the year ended 31 March 2022
Finance cost on lease liabilities (Refer note 47)	120.79	113.30
Other interest expense	202.34	80.65
	323.13	**193.95**

38 Other expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
Travel expenses (net)	645.68	276.06
Cost of service delivery (net)	991.77	252.76
Cost of professional sub-contracting (net)	1,503.17	966.62
Recruitment and training expenses	289.83	178.12
Power and fuel	93.18	78.17
Rent (short-term and low values leases) (Refer note 47)	82.87	45.91
Repairs and maintenance	251.91	313.72
Insurance	150.19	104.59
Rates & taxes	50.95	195.48
Communication expenses (net)	102.70	85.81

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Legal and professional fees	407.63	519.55
Marketing expenses	136.43	45.15
Property, plant and equipments and other intangible assets written off	-	126.19
Auditor's remuneration (net of taxes)		
Audit fees	5.90	5.40
Limited review of quarterly results	2.10	2.10
Fees for other services	0.70	0.56
Out of pocket expenses reimbursed	0.25	-
Bad debts written off	49.63	68.57
Allowances for doubtful trade receivables and advances (net)	71.03	(112.92)
Provision for warranty (Refer note 48.1)	41.76	79.88
Contributions towards corporate social responsibility (Refer note 53)	41.86	38.22
Net unrealised loss on investments carried at fair value through profit or loss (Refer note ii below)	25.68	-
Miscellaneous expenses (net)	418.88	562.47
	5,364.10	**3,832.41**

Note:

(i) Certain expenses are net of recoveries/reimbursements from customers.

(ii) This represents the loss on fair valuation of:

a. shares in Birlasoft Limited, held by KPIT Employee Welfare Trust;

b. investment in mutual fund units.

39 Financial Instruments

39.1 Financial Instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2023 are as follows:

Particulars	Amortised cost	Fair value through profit or loss (FVTPL)	Fair value through OCI	Total carrying value	Total fair value
Financial assets					
Investments	-	389.97	-	389.97	389.97
Trade receivables - billed	5,924.40	-	-	5,924.40	5,924.40
Trade receivables - unbilled	1,823.21	-	-	1,823.21	1,823.21
Cash and cash equivalents	4,542.13	-	-	4,542.13	4,542.13
Other balances with banks	949.19	-	-	949.19	949.19
Other financial assets	852.06	-	-	852.06	852.06
Total financial assets	**14,090.99**	**389.97**	**-**	**14,480.96**	**14,480.96**
Financial liabilities					
Borrowings	492.10	-	-	492.10	492.10
Trade payables	1,643.35	-	-	1,643.35	1,643.35
Lease liabilities	2,373.16	-	-	2,373.16	2,373.16
Other financial liabilities	(2,421.77)	9,641.53	78.61	7,298.37	7,298.37
Total financial liabilities	**2,086.84**	**9,641.53**	**78.61**	**11,806.98**	**11,806.98**

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

The carrying value and fair value of financial instruments by categories as at 31 March 2022 were as follows:

Particulars	Amortised cost	Fair value through profit or loss (FVTPL)	Fair value through OCI	Total carrying value	Total fair value
Financial assets					
Investments	-	1,076.10	-	1,076.10	1,076.10
Trade receivables - billed	3,714.47	-	-	3,714.47	3,714.47
Trade receivables - unbilled	695.41	-	-	695.41	695.41
Cash and cash equivalents	3,420.63	-	-	3,420.63	3,420.63
Other balances with banks	5,507.34	-	-	5,507.34	5,507.34
Other financial assets	729.71	-	88.85	818.56	818.56
Total financial assets	**14,067.56**	**1,076.10**	**88.85**	**15,232.51**	**15,232.51**
Financial liabilities					
Borrowings	25.80	-	-	25.80	25.80
Trade payables	1,372.30	-	-	1,372.30	1,372.30
Lease liabilities	2,246.46	-	-	2,246.46	2,246.46
Other financial liabilities	2,826.05	-	-	2,826.05	2,826.05
Total financial liabilities	**6,470.61**	**-**	**-**	**6,470.61**	**6,470.61**

39.2 Fair value hierarchy

Financial assets and liabilities include investments, cash and cash equivalents, other balances with banks, trade receivables (billed and unbilled), loans, other financial assets, 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 amount, as lease liabilities are valued using discounted cash flow method. Except for the quoted investments, which are Level 1, rest of the financial assets and financial liabilities are classified as Level 2 or Level 3.

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 at 31 March 2023:

Particulars	As at 31 March 2023	Fair value measurement		
		Level 1	Level 2	Level 3
Financial assets				
Investment in equity instruments of other entities	0.45	-	-	0.45
Investment in Birlasoft Limited	20.70	20.70	-	-
Investment in mutual fund units	368.82	368.82	-	-
Financial liabilities				
Purchase consideration payable	9,641.53	-	-	9,641.53
Forward contracts designated as cash flow hedge	78.61	-	78.61	-

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

The following table presents fair value hierarchy of financial assets and liabilities as at 31 March 2022:

Particulars	As at 31 March 2022	Fair value measurement		
		Level 1	Level 2	Level 3
Financial assets				
Investment in equity instruments of other entities	0.42	-	-	0.42
Investment in Birlasoft Limited	30.13	30.13	-	-
Investment in mutual fund units	1,045.55	1,045.55	-	-
Forward contracts designated as cash flow hedge	88.85	-	88.85	-

A percentage change in the significant unobservable inputs used in the fair valuation of Level 3 assets and liabilities does not have a significant impact on its value.

Reconciliation of fair value measurement for Level 3:

Particulars	31 March 2023	31 March 2022
i) Unquoted investment in equity instruments classified as FVTPL		
Balance at the beginning of the year	0.42	10.43
Sale during the year	-	10.00
Exchange gain/(loss)	0.03	(0.01)
Balance at the end of the year	**0.45**	**0.42**
ii) Purchase consideration payable classified as FVTPL		
Balance at the beginning of the year	-	-
Additions	4,935.38	-
Finance costs recognised in the Statement of Profit and Loss	29.01	-
Paid during the year	169.91	-
Exchange gain/(loss)	4,847.05	-
Balance at the end of the year	**9,641.53**	**-**

39.3 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 Committee, 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 :

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 billed trade receivables from customers amounting to ₹ 5,924.40 million and ₹ 3,714.47 million, unbilled trade receivables amounting to ₹ 1,823.21 million and ₹ 695.41 million and other receivables amounting to ₹ 223.34 million and ₹ 96.14 million as on 31 March 2023 and 31 March 2022 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.

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

ii. Impairment

Movement in the allowance for impairment in respect of trade and other receivables

Particulars	31 March 2023	31 March 2022
Balance at the beginning of the year	193.79	302.18
Impairment during the year	397.44	407.41
Reversal of impairment on account of collection	(251.56)	(458.05)
Utilisation of allowance	(52.22)	(62.28)
Exchange difference on translation	0.35	4.53
Balance at the end of the year	**287.80**	**193.79**

Refer note 19 for ageing of trade receivables.

iii. Cash and bank balances

The Group held cash and bank balances of ₹ 5,491.32 million and ₹ 8,927.97 million as at 31 March 2023 and 31 March 2022 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 in routine course of business and on behalf of subsidiaries/joint ventures.

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.

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 2023	31 March 2022
Cash and cash equivalents	4,542.13	3,420.63
Other balances with banks	949.19	5,507.34
Fixed deposits with banks (non-current portion) including interest accrued	309.21	369.45
Investment in mutual fund units	368.82	1,045.55
Total	**6,169.35**	**10,342.97**

The following are the remaining contractual maturities of financial liabilities as at 31 March 2023:

Particulars	Carrying value	Gross cash outflow	Upto 1 year	2-3 years	4-5 years	> 5 years
Borrowings	492.10	492.10	489.84	2.26	-	-
Trade payables	1,643.35	1,643.35	1,643.35	-	-	-
Other financial liabilities	7,298.37	7,298.37	4,448.21	2,850.16	-	-

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

The following are the remaining contractual maturities of financial liabilities as at 31 March 2022:

Particulars	Carrying value	Gross cash outflow	Upto 1 year	2-3 years	4-5 years	> 5 years
Borrowings	25.80	29.63	8.94	9.87	4.86	5.96
Trade payables	1,372.30	1,372.30	1,372.30	-	-	-
Other financial liabilities	2,826.05	2,073.73	1,899.28	174.45	-	-

Refer note 47 for the contractual maturities of lease liabilities.

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 90% 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.

Exposure to currency risk

The below figures are INR equivalent amounts of foreign currency.

The following is the Group's exposure to currency risk from financial instruments as at 31 March 2023:

Particulars	US Dollars	Euros	Pound Sterling	Other currencies	Total
Trade receivables (including unbilled)	614.38	-	-	0.82	615.20
Trade payables	(8.71)	(17.16)	(1.32)	(1.22)	(28.41)
Other financial liabilities	(1.18)	(8.54)	-	-	(9.72)
Net assets/(liabilities)	**604.49**	**(25.70)**	**(1.32)**	**(0.40)**	**577.07**

The following is the Group's exposure to currency risk from financial instruments as at 31 March 2022:

Particulars	US Dollars	Euros	Pound Sterling	Other currencies	Total
Trade receivables (including unbilled)	225.22	-	-	1.65	226.87
Other financial assets	-	43.91	-	-	43.91
Trade payables	(5.03)	(4.09)	(2.33)	(0.62)	(12.07)
Other financial liabilities	(8.76)	-	(1.37)	(47.12)	(57.25)
Net assets/(liabilities)	**211.43**	**39.82**	**(3.70)**	**(46.09)**	**201.46**

The above figures exclude amounts in local currency of foreign subsidiaries.

For the period ended 31 March 2023, every 1% appreciation/depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately 0.09%/(0.09)%.

For the period ended 31 March 2022, every 1% appreciation/depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately 0.05%/(0.05)%.

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(Amount in ₹ million)

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.

The following are the outstanding EUR/USD/GBP: INR Currency Exchange Contracts entered into by the Group which has been designated as Cash Flow Hedges:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Foreign Currency (million)	₹ (million)	Foreign Currency (million)	₹ (million)
EUR	24.65	2,208.83	11.82	1,000.68
USD	47.54	3,908.59	38.54	2,921.61
JPY	2,469.00	1,525.84	-	-
GBP	6.00	611.24	4.57	454.95

The forward contracts have maturity between 30 days to 11 months from 31 March 2023.

The movement in the hedging reserve for derivatives, which have been designated as Cash Flow Hedges, is as follows:

Particulars	31 March 2023	31 March 2022
Balance at the beginning of the year	57.90	44.67
Gain on changes in fair value of foreign exchange contracts recognised in other comprehensive income	(78.61)	88.84
Deferred tax on fair value of effective portion of cash flow hedges	58.00	(6.94)
Amounts reclassified to the statement of profit and loss	(88.84)	(68.67)
Share of non-controlling interest	3.43	-
Balance at the end of the year	**(48.12)**	**57.90**

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 investments are fixed interest rate bearing instruments. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligation with floating interest rate. The interest rate profile of the Group's floating interest-bearing financial instruments is as follows:

Particulars	31 March 2023	31 March 2022
Variable rate instruments		
Financial liabilities	418.82	-

A change of 50 basis points in interest rates at the reporting date would have increased or decreased finance costs by ₹ 1.89 million.

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

40 Segment Information

KPIT Technologies Limited provides embedded software for the Automobile and Mobility Industry. The customers in these verticals are located at US/UK & Europe/APAC region. To enable the company to serve their specific needs the company 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 each geography. The risk and rewards of the company is directly affected by geographical location of its customers (i.e. place where its services are rendered). Decisions such as pricing, allocation of resources, 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.

40.1Geographical segments

Segment information is based on geographical location of customers.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses incurred in India on behalf of other segments which are not directly identifiable to each reportable segment have been allocated to each segment on the basis of associated revenues of each segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

	31 March 2023				31 March 2022			
	Americas	UK & Europe	Rest of World	Total	Americas	UK & Europe	Rest of World	Total
	₹ million	₹ million	₹ million	₹ million	₹ million	₹ million	₹ million	₹ million
a) Segment revenue								
Revenue from external customers	12,342.66	16,431.52	16,971.17	45,745.35	9,513.63	10,226.38	13,121.21	32,861.22
Less: inter segment revenue	300.69	688.51	11,105.77	12,094.97	44.67	459.00	8,033.69	8,537.36
Total segment revenue	12,041.97	15,743.01	5,865.40	33,650.38	9,468.96	9,767.38	5,087.52	24,323.86
b) Segment results	3,579.38	2,690.18	2,028.38	8,297.94	2,514.27	1,634.75	2,004.90	6,153.92
Finance cost				(323.13)				(193.95)
Unallocated corporate expenses (net of unallocable income)				(3,030.91)				(2,516.51)
Share of profit of equity accounted investees (net of tax)				23.97				1.98
Profit before tax				4,967.87				3,445.44
Tax expense				(1,099.24)				(683.01)
Profit after tax				3,868.63				2,762.43
c) Allocated segment assets	2,382.82	3,959.01	1,445.02	7,786.85	1,264.74	1,774.06	1,490.94	4,529.74
Unallocated segment assets*				4,472.71				2,230.58
Unallocated corporate assets				21,746.19				16,601.15
Total assets				34,005.75				23,361.47

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

d) Allocated segment liabilities	242.61	1,850.26	507.99	2,600.86	304.85	1,071.15	339.33	1,715.33
Unallocated segment liabilities*				14,279.85				8,369.20
Unallocated corporate liabilities				492.10				25.80
Total liabilities				17,372.81				10,110.33
e) Cost incurred during the period to acquire segment non-current assets#	-	-	-	-	-	-	-	-
f) Depreciation/ Amortisation#				1,463.79				1,196.14
g) Non cash expenses other than depreciation/ amortisation#				-				-

* Segment assets other than trade receivables (including unbilled) and contract assets 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.

40.2 Major customer

Revenue from one customer, ₹ 5,212.76 million (Previous year ₹ 3,457.11 million), individually accounts for more than 10% of the Group's revenue.

41 Disclosure relating to entities considered in the consolidated financial statements for the year ended on 31 March 2023:

(pursuant to para 2 of general instructions for the preparation of 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 (₹ million)	As % of consolidated profit or (loss)	Amount (₹ million)	As % of consolidated OCI	Amount (₹ million)	As % of consolidated TCI	Amount (₹ million)
A	**Parent Company:**								
	KPIT Technologies Limited	83.19%	13,837.26	72.42%	2,801.61	-33.57%	(163.03)	60.60%	2,638.58
	(A)		**13,837.26**		**2,801.61**		**(163.03)**		**2,638.58**
B	**Subsidiaries:**								
I	**Indian:**								
	PathPartner Technology Private Limited	2.92%	485.29	3.74%	144.60	-1.17%	(5.70)	3.19%	138.90
II	**Foreign:**								
1	KPIT Technologies (UK) Limited	16.31%	2,712.92	11.32%	438.00	4.41%	21.44	10.55%	459.44
2	KPIT Technologies Inc.	9.56%	1,590.61	2.78%	107.39	0.23%	1.10	2.49%	108.49
3	KPIT Technologies Holding Inc.	8.40%	1,397.29	0.04%	1.52	-0.56%	(2.72)	-0.03%	(1.20)

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

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 (₹ million)	As % of consolidated profit or (loss)	Amount (₹ million)	As % of consolidated OCI	Amount (₹ million)	As % of consolidated TCI	Amount (₹ million)
4	KPIT (Shanghai) Software Technology Co. Limited	0.60%	100.61	-1.63%	(63.13)	-0.23%	(1.10)	-1.48%	(64.23)
5	KPIT Technologies Netherlands B.V	2.36%	392.35	2.64%	102.18	1.64%	7.96	2.53%	110.14
6	KPIT Technologies GK	2.51%	417.48	1.16%	44.77	2.56%	12.45	1.31%	57.22
7	KPIT Technologies GmbH	32.12%	5,341.72	1.01%	39.05	1.14%	5.53	1.02%	44.58
8	KPIT Technologies Pte Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
9	KPIT Technologias Ltda.	0.64%	106.98	1.22%	47.05	-0.59%	(2.86)	1.01%	44.19
10	MicroFuzzy Industrie-Elektronic GmbH	2.06%	342.41	5.93%	229.52	4.87%	23.67	5.81%	253.19
11	ThaiGerTec Co. Ltd.	0.52%	86.32	0.14%	5.28	0.04%	0.18	0.13%	5.46
12	SOMIT Solutions Limited	0.38%	63.57	0.05%	1.92	0.02%	0.09	0.05%	2.01
13	SOMIT Solutions Inc	0.08%	13.10	0.56%	21.48	0.09%	0.43	0.50%	21.91
14	KPIT Technologies S.A.S.	-0.02%	(3.95)	-0.31%	(12.10)	-0.17%	(0.81)	-0.30%	(12.91)
15	Technica Engineering GmbH	7.28%	1,211.13	5.05%	195.54	2.70%	13.09	4.79%	208.63
16	Technica Electronics Barcelona S.L.	0.69%	114.08	1.65%	63.91	0.88%	4.28	1.57%	68.19
17	Technica Engineering Spain S.L.	0.02%	3.03	0.07%	2.56	0.04%	0.17	0.06%	2.73
18	Technica Engineering Inc.	0.47%	77.70	0.63%	24.44	0.10%	0.49	0.57%	24.93
19	Qorix GmbH	0.27%	44.80	0.00%	-	0.00%	-	0.00%	-
20	PathPartner Technology Inc.	0.42%	69.05	0.35%	13.60	0.04%	0.20	0.32%	13.80
21	PathPartner Technology GmbH	0.00%	(0.48)	-0.04%	(1.59)	-0.02%	(0.12)	-0.04%	(1.71)
	(B)		**14,566.01**		**1,405.99**		**77.77**		**1,483.76**
C	**Joint venture/ Associate:**								
1	FMS Future Mobility Solutions GmbH	0.00%	-	0.62%	23.97	0.00%	-	0.55%	23.97
	(C)		**-**		**23.97**		**-**		**23.97**
D	Non-Controlling Interest	0.71%	117.56	1.52%	58.65	-1.26%	(6.14)	1.21%	52.51

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

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 (₹ million)	As % of consolidated profit or (loss)	Amount (₹ million)	As % of consolidated OCI	Amount (₹ million)	As % of consolidated TCI	Amount (₹ million)
E	Consolidation adjustments including intercompany eliminations	-71.47%	(11,887.89)	-10.90%	(421.59)	118.82%	577.08	3.57%	155.49
F	**Total (A+B+C+D+E)**		**16,632.94**		**3,868.63**		**485.68**		**4,354.31**

42 Revenue from operations - other disclosures

Disaggregate revenue information

The Group disaggregates revenue from contracts with customers by geography and contract type.

The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by economic factors.

A Revenue disaggregation by geography has been included in segment information (Refer note 40).

B Revenue disaggregation by contract type is as follows:

Contract Type	31 March 2023	31 March 2022
Time & Material (T&M) and Cap T&M projects	16,961.40	10,932.13
Fixed price projects	15,073.10	12,756.91
License projects	685.66	619.72
Sale from manufacturing unit/ product sale	930.22	15.10
Total	**33,650.38**	**24,323.86**

Movement in contract assets (unbilled revenue)

Particulars	31 March 2023	31 March 2022
Balance at the beginning of the year	119.86	40.01
Invoicing during the year	(107.36)	(33.05)
Reversals during the year	(12.50)	(6.96)
Revenue recognised during the year	39.24	119.86
Balance at the end of the year	**39.24**	**119.86**

Movement in contract liabilities (unearned revenue)

Particulars	31 March 2023	31 March 2022
Balance at the beginning of the year	1,715.33	1,379.97
Addition on account of acquisition of subsidiary	8.71	9.49
Revenue recognised during the year	(1,645.08)	(1,358.60)
Invoiced during the period but not recognised as revenue	2,521.90	1,684.47
Balance at the end of the year	**2,600.86**	**1,715.33**

Reconciliation of revenue recognised with the contracted price

Particulars	31 March 2023	31 March 2022
Contracted price	33,656.19	24,407.96
Reductions towards variable consideration components	(5.81)	(84.10)
Revenue recognised	**33,650.38**	**24,323.86**

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

The reduction towards variable consideration comprises of volume discounts, service level credits, etc.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue.

Applying the practical expedient as given in Ind-AS 115 Revenue from contract with customers, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligations estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2023, other than those meeting the exclusion criteria mentioned above, is ₹ 5,049 million. Out of this, the Group expects to recognize revenue of around 84% within the next one year. This includes contracts that can be terminated for convenience without a substantive penalty, since based on current assessment, the occurrence of the same is expected to be remote.

43 Gratuity

The Company and its Indian subsidiary 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.

The Company's gratuity scheme is a defined benefit plan (funded). The Company manages the plan through a trust. Trustees administer contributions made to the trust.

Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows :

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Present value of defined benefit obligation at the beginning of the year	455.98	322.28
Addition on account of acquisition of a subsidiary (Refer note 51.1)	-	43.94
Current service cost	71.65	51.10
Interest cost	30.85	21.63
Actuarial loss/(gain) recognised in other comprehensive income		
a) changes in demographic assumptions	0.68	(0.04)
b) changes in financial assumptions	(15.86)	(9.85)
c) experience adjustments	100.52	81.17
Benefits paid	(54.15)	(54.25)
Present value of defined benefit obligation at the end of the year	589.67	455.98

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

Changes in the fair value of the plan assets representing reconciliation of opening and closing balances thereof are as follows :

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Fair value of plan assets at the beginning of the year	187.75	166.20
Addition on account of acquisition of a subsidiary (Refer note 51.1)	-	1.91
Interest Income	12.54	10.53
Employer contribution	86.05	50.86
Benefits paid	(54.15)	(38.03)
Return on plan assets, excluding interest income	(4.78)	(3.72)
Fair value of plan assets at the end of the year	227.41	187.75

Amount recognised in the Balance Sheet	For the year ended 31 March 2023	For the year ended 31 March 2022
Present value of obligation as at the end of the year	589.67	455.98
Fair value of plan assets at the end of the year	227.41	187.75
Funded status ((surplus)/deficit)	362.26	268.23
Net (asset)/liability recognized in the Balance Sheet	362.26	268.23

Expenses recognised in the Statement of Profit and Loss	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	71.65	51.10
Interest cost net of interest income on plan assets	18.31	11.10
Expenses recognised in the Statement of Profit and Loss	89.96	62.20

Expenses recognised in the Other Comprehensive Income (OCI)	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial loss/(gain)	85.34	71.28
Return on plan assets, excluding interest income	(4.78)	(3.72)
Net (income)/expense recognised in the OCI	90.12	75.00

Category of Assets	For the year ended 31 March 2023	For the year ended 31 March 2022
Insurance fund	227.41	187.75

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

Actuarial assumptions	For the year ended 31 March 2023	For the year ended 31 March 2022
For PathPartner Technology Private Limited		
Expected return on plan assets	7.31%	7.06%
Discount rate	7.31%	7.57%
Salary escalation	12.00%	12.00%
Attrition rate	20.00%	15.00%
For KPIT Technologies Limited		
Expected return on plan assets	7.35%	6.70%
Discount rate	7.35%	6.70%
Salary escalation	5.00%	5.00%
Attrition rate	15.00%	15.00%

a. 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.

b. Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

c. Assumptions regarding future mortality rates are the rates as given under Indian Assured Lives Mortality 2012-14 (Urban).

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	As at 31 March 2023		As at 31 March 2022	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (1 % movement)	(24.00)	26.48	(21.96)	24.64
Future salary growth (1 % movement)	26.08	(24.11)	21.65	(20.18)
Attrition rate (1 % movement)	0.47	(0.74)	(0.48)	0.38

Maturity profile of defined benefit plan

Projected benefits payable in future years from the date of reporting	31 March 2023	31 March 2022
Within 1 year	117.69	78.46
1-2 year	77.67	53.84
2-3 year	71.74	53.60
3-4 year	68.83	49.43
4-5 year	64.40	46.10
5-10 years	240.12	171.03
Thereafter	235.84	188.15

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

Weighted average assumptions used to determine net periodic benefit cost

Particulars	31 March 2023	31 March 2022
For PathPartner Technology Private Limited		
Number of active members	504	493
Per month salary cost for all active members (₹ million)	19.63	17.64
Weighted average duration of the projected benefit obligation (years)	6.00	15.41
Average expected future service (years)	4.00	28.49
Projected benefit obligation (₹ million)	54.51	45.34
Prescribed contribution for next year (12 months) (₹ million)	4.00	8.27
For KPIT Technologies Limited		
Number of active members	8,542	6,840
Per month salary cost for all active members (₹ million)	277.51	185.83
Weighted average duration of the projected benefit obligation (years)	6.00	6.00
Average expected future service (years)	6.00	6.00
Projected benefit obligation (₹ million)	535.16	411.61
Prescribed contribution for next year (12 months) (₹ million)	80.00	80.00

44 Share based payments

44.1Employee Stock Option Scheme - 2019

In accordance with the terms of the approved Composite Scheme, KPIT Engineering Limited (now known as KPIT Technologies Limited) ("Resulting Company") had issued the stock options to the employees holding options of the KPIT Technologies Limited (now known as Birlasoft Limited) ("Transferee Company" or "Demerged Company") as at the appointed date. The options issued consisted of:

i. 1,807,450 options of the Transferee Company ("Birlasoft options"), equivalent to the number of options outstanding as at the appointed date;

ii. 1,807,450 options of the Resulting Company ("KPIT options"), in the ratio of 1:1 for every outstanding stock options held by the employees in the Transferee Company.

The Board of Directors of the Company approved the Employees Stock Option Scheme at their meeting on 15 May 2019. Pursuant to this approval, the Company instituted ESOS 2019 in May 2019. The compensation committee of the Company administers this Plan. Each type of option carries with it the right to purchase one equity share of the Demerged Company or the Resulting Company as the case may be. In terms of clause 18.5 of the Composite Scheme, the stock options had been granted at an exercise price which was the pre-demerger exercise price suitably adjusted in the manner of share exchange ratio. Further, as per

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

the Composite Scheme, the Company had taken into account the vesting period completed, under the plan in the Demerged Company, prior to the grant of options to the employee under the ESOS 2019. The maximum exercise period is 5 years from the date of vesting.

The outstanding stock options held by employees of the Demerged Company as at 31 March 2023 are 85,300 and 94,200 of Birlasoft options and KPIT options respectively. The employee compensation cost for such employees is not eligible for recognition in the books of the Company.

The number of outstanding Birlasoft options held by employees of the Company as at 31 March 2023 are 88,700. The Company recorded an employee compensation cost of ₹ Nil (Previous year ₹ Nil) in this respect in the Statement of Profit and Loss.

Below are the details pertaining to the KPIT options held by employees of the Company:

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year:

Particulars	FY 2022-23		FY 2021-22	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	210,300	45.75	486,205	45.19
Forfeited/surrendered during the year	2,800	44.96	4,300	44.96
Exercised during the year	84,600	44.96	269,505	44.76
Lapsed during the year	2,100	44.96	2,100	44.96
Options outstanding at the end of the year	120,800	46.34	210,300	45.75
Options exercisable at the end of the year	120,800	46.34	210,300	45.75

The weighted average share price of the options exercised under Employees Stock Option Scheme -2019 on the date of exercise during the year was ₹ 75.60.

The weighted average remaining contractual life are as follows:

Range of Exercise Price	FY 2022-23		FY 2021-22	
	Weighted average contractual life (years)	No. of options outstanding	Weighted average contractual life (years)	No. of options outstanding
₹ 0 to ₹ 50	0.30	100,800	0.89	190,300
₹ 50 to ₹ 100	2.07	20,000	3.07	20,000

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model.

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.

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

44.2 Employee Stock Option Scheme – 2019A

The Board of Directors and the shareholders of the Company approved another Employee Stock Option Scheme at their meeting on 17 June 2019 and on 23 July 2019, respectively. Pursuant to this approval, the Company instituted ESOS 2019A in July 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 approved under this scheme are 3,793,923.

The options had been originally granted to employees of the Company and its subsidiaries at an exercise price equivalent to the fair market price of the Company's share as on the date of grant of options. The Nomination and Remuneration Committee of the Board of Directors of the Company, in its meeting held on 30 July 2020 approved the modification in the exercise price of the options granted. The exercise price is modified to ₹ 10 per option.

The options would vest not earlier than statutory minimum vesting period of 1 year and up to the maximum period of 4 years from the date of grant of options or such period as may be decided by the Committee at the time of each grant of options. The exact proportion in which and the exact period over which the options would vest would be determined by the Committee, subject to the minimum vesting period of 1 year from the date of grant of options. 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

Range of Exercise Price	FY 2022-23		FY 2021-22	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	3,130,440	10.00	3,707,000	10.00
Options granted during the year	241,250	10.00	250,500	10.00
Forfeited/surrendered during the year	161,500	10.00	363,050	10.00
Exercised during the year	496,665	10.00	464,010	10.00
Lapsed during the year	2,700	10.00	-	-
Options outstanding at the end of the year	2,710,825	10.00	3,130,440	10.00
Options exercisable at the end of the year	112,925	10.00	593,790	10.00

The weighted average share price of the options exercised under Employees Stock Option Scheme - 2019A on the date of exercise during the year was ₹ 536.23.

The weighted average remaining contractual life are as follows:

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	FY 2022-23	FY 2021-22
1. Exercise price (₹)	10.00	10.00
2. Price of the underlying share in market at the time of the option grant (₹)	595.07	488.68
3. Weighted average fair value of options granted (₹)	536.23	474.99
4. Expected life of the option (years)	3.76	3.76
5. Risk free interest rate (%)	7.00	5.00
6. Expected volatility (%)	48.69	50.13
7. Dividend yield (%)	0.53	0.36

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

The Group recorded an employee compensation cost of ₹ 113.69 million (Previous year ₹ 77.38 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.

44.3 Employee Share Purchase Scheme – 2019

The Board of Directors and the shareholders of the Company approved Employee Share Purchase Scheme at their meeting on 17 June 2019 and on 23 July 2019, respectively. Pursuant to this approval, the Company instituted ESPS 2019 in July 2019. The compensation committee of the Company administers this Plan. The shares approved under this scheme are 40,000 equity shares. The shares have been granted to employees of the Company and its subsidiaries at a price not less than the face value per share of the Company at the time of the offer.

Number and offer prices of shares granted, exercised and cancelled/lapsed during the financial year:

Particulars	FY 2022-23		FY 2021-22	
	No. of shares	Weighted average offer price	No. of shares	Weighted average offer price
Shares outstanding at the beginning of the year	25	10.00	19,955	10.00
Shares granted during the year	-	10.00	-	10.00
Exercised during the year	25	10.00	2,935	10.00
Cancelled during the year	-	10.00	16,995	10.00
Shares outstanding at the end of the year	-	10.00	25	10.00

The Group recorded an employee compensation cost of ₹ Nil (Previous year ₹ Nil) in the Statement of Profit and Loss.

45 Income taxes

The income tax expense consists of following:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Tax expense		
Current tax	1,091.25	836.11
Deferred tax (benefit)/charge	7.99	(153.10)
Total tax expense	**1,099.24**	**683.01**

The net charge relating to temporary differences during the year ended 31 March 2023 is primarily on account of property, plant & equipment, leases, gratuity and leave encashment.

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	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	4,967.87	3,445.44
Indian statutory income tax rate	34.94%	34.94%
Expected income tax expense	1,735.97	1,203.97
Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense		

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Effect of income tax exemption/tax holiday	(696.75)	(584.31)
Effect of permanent adjustments	284.64	106.05
Effect of differential overseas tax rates	(121.76)	(50.18)
Effect of unrecognised deferred tax assets	(103.67)	(103.07)
Others (net)	0.81	110.55
Total income tax expense	**1,099.24**	**683.01**

The Group benefits from the tax holiday available for units set up under the Special Economic Zone Act, 2005 (SEZ). Accordingly, units designated in SEZ are eligible for a deduction of 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. Certain tax benefits are also available for a further five years subject to the unit meeting defined conditions. The tax holiday period being currently available to the Group expires in various years through fiscal year 2027. From 1 April 2011 units set up under SEZ scheme are subject to Minimum Alternate Tax (MAT).

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 unrecognised deferred tax assets is ₹ 108.66 million (Previous year ₹ 103.07 million).

Deferred tax

The gross movement in the deferred tax account:

The net charge relating to temporary differences during the year ended 31st March 2023 and 31st March 2022 are primarily on account of provision for bad and doubtful debts, provision for gratuity, leave encashment, leases and property, plant & equipment.

During the year, the Company has recognised intangible asset of customer relationship in consolidated financial statements. These intangible assets would be amortised over a period of life of such asset. Accordingly, a deferred tax liability is created on such assets, which shall be reversed over the period of amortisation.

46 Basic and diluted earnings per share

The income tax expense consists of following:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Face value per equity share (₹)	**10.00**	**10.00**
Profit for the year attributable to owners of the Company (₹ million)	3,809.98	2,742.33
Weighted average number of equity shares	270,123,511	269,542,125
Earnings per share – basic (₹)	**14.10**	**10.17**
Effect of dilutive potential equity shares		
Weighted average number of diluted equity shares	273,098,567	272,857,942
Earnings per share – diluted (₹)	**13.95**	**10.05**

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

47 Leases

Group as a lessee

The Group primarily has rental office premises across multiple locations and a leasehold land.

A Refer note 4 for changes in the carrying amount of right of use assets.

B Break up of current and non-current lease liabilities

Particulars	31 March 2023	31 March 2022
Non-current lease liabilities	1,864.28	1,833.95
Current lease liabilities	508.88	412.51
Total	**2,373.16**	**2,246.46**

C Movement in lease liabilities

Particulars	31 March 2023	31 March 2022
Balance at the beginning of the year	2,246.46	2,268.42
Additions during the year	253.26	457.19
Additions on account of acquisition (Refer note 51.1)	371.30	51.09
Finance cost accrued on lease liabilities	120.79	113.30
Payment of lease liabilities	(578.31)	(515.58)
Termination/modification of leases	(144.84)	(110.67)
Translation difference	104.50	(17.29)
Balance at the end of the year	**2,373.16**	**2,246.46**

D Contractual maturities of lease liabilities on an undiscounted cash flows basis

Particulars	31 March 2023	31 March 2022
Not later than one year	623.46	519.01
Later than one year and not later than five years	1,574.16	1,472.06
Later than five years	537.96	622.07
Total undiscounted lease liabilities	**2,735.58**	**2,613.14**

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.

Leases not yet commenced to which the Group is committed is ₹ Nil (on an undiscounted cash flows basis) for a lease term upto 5 years.

48 Details of provisions and movements in each class of provisions as required by the Ind-AS 37 on Provisions, Contingent Liabilities and Contingent Assets

48.1 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 2023	31 March 2022
Carrying amount as at the beginning of the year	123.10	51.69
Additional provision made during the year	46.25	79.88
Additions on account of acquisition	19.46	-

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

Particulars	31 March 2023	31 March 2022
Reversals during the year	(4.49)	-
Provision utilised during the year	-	(8.47)
Exchange difference on translation	-	-
Carrying amount at the end of the year	184.32	123.10

The warranty provision is expected to be utilized over a period of 1 year.

48.2 Provision for claims

Provision for claims represents the cash outflows estimated by the Company against the claims made. The timing of cash outflows in respect of such provision cannot be reasonably determined. The movement in the said provision is as under:

Particulars	31 March 2023	31 March 2022
Carrying amount as at the beginning of the year	259.58	-
Additional provision made during the year	-	259.58
Reversal of provision	(83.23)	-
Provision utilised during the year	(176.35)	-
Carrying amount at the end of the year	-	259.58

48.3 Contingent liabilities

Guarantees

Particulars	31 March 2023	31 March 2022
Outstanding bank guarantees in routine course of business	144.13	130.56
Bond executed in favour of Customs Authorities (against which the company has furnished Bank guarantee of ₹ 0.19 million)	3.85	-
Income tax matters appealed by the Company*	3.21	-

* The case under appeal pertains to financial year ended 31 March 2017 where the additional demand raised is adjusted against the refund due for that year and the matter is pending before the Commissioner of Income Tax (Appeals). Based on management's internal assessment and its interpretation of applicable tax laws, management believes that these demands are not legally tenable and accordingly no provision is required in the financial statements.

48.4 Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances):

a. Property, plant and equipment - ₹ 136.69 million (Previous Year ₹ 21.39 million)

b. Intangibles - ₹ 24.69 million (Previous Year ₹ 12.23 million)

49 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 Group from available information) as at 31 March 2023 is ₹ 3.53 million (Previous year - ₹ 5.70 million). Estimated interest due thereon is ₹ Nil (Previous year - ₹ Nil).

b. Amount of payments made to suppliers beyond the appointed date during the year is ₹ Nil (Previous year - ₹ Nil). Interest paid thereon is ₹ Nil (Previous year - ₹ Nil) and the estimated interest due and payable thereon is ₹ Nil (Previous year - ₹ Nil).

c. The amount of estimated interest accrued and remaining unpaid as at 31 March 2023 is ₹ Nil (Previous year - ₹ Nil).

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

d. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006 is ₹ Nil.

50 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 2023
Direct subsidiaries			
1	KPIT Technologies (UK) Limited	United Kingdom	100
2	KPIT (Shanghai) Software Technology Co. Limited	China	100
3	KPIT Technologies Netherlands B.V	Netherlands	100
4	KPIT Technologies Pte Ltd. (upto 4 July 2022)(i)	Singapore	-
5	KPIT Technologies Holding Inc.	United States of America	100
6	KPIT Technologias Ltda.	Brazil	99.9
7	PathPartner Technology Private Limited (w.e.f. 1 October 2021)	India	80
8	KPIT Technologies GK	Japan	100
9	Qorix GmbH (w.e.f 10 March 2023)	Germany	100
Indirect subsidiaries			
10	KPIT Technologies GmbH, Germany (Subsidiary of KPIT Technologies (UK) Limited)	Germany	100
11	KPIT Technologies Inc. (Subsidiary of KPIT Technologies Holding Inc.)	United States of America	100
12	MicroFuzzy Industrie-Elektronic GmbH (Subsidiary of KPIT Technologies GmbH, Germany)	Germany	100
13	PathPartner Technology Inc. (Subsidiary of PathPartner Technology Private Limited, India)	United States of America	80
14	PathPartner Technology GmbH (Subsidiary of PathPartner Technology Private Limited, India)	Germany	80
15	ThaiGerTec Co. Ltd. (Subsidiary of KPIT Technologies (UK) Limited)	Thailand	100
16	SOMIT Solutions Limited (w.e.f. 30 May 2022)	United Kingdom	100
17	SOMIT Solutions Inc (w.e.f. 30 May 2022)	United States of America	100
18	KPIT Technologies S.A.S. (w.e.f. 23 September 2022)	France	100
19	Technica Engineering GmbH (w.e.f 1 October 2022)	Germany	100
20	Technica Electronics Barcelona S.L. (w.e.f 1 October 2022)	Spain	100
21	Technica Engineering Spain S.L. (w.e.f 1 October 2022)	Spain	100
22	Technica Engineering Inc. (w.e.f 1 October 2022)	United States of America	100
Joint venture/Associate			
23	PathPartner Interior Sensing Private Limited (w.e.f. 20 September 2021 till 23 September 2022)	India	-
24	FMS Future Mobility Solutions GmbH (w.e.f. 22 September 2021)	Germany	25
25	Yantra Digital Services Private Limited (upto 23 August 2022) (ii)	India	-

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

B. List of Key Management Personnel

Key Management Personnel (KMP)	Mr. S.B.(Ravi) Pandit	Non-Executive Director
	Mr. Kishor Patil	Executive Director
	Mr. Sachin Tikekar	Executive Director
	Mr. Anup Sable	Executive Director (w.e.f. 22 December 2021)
	Mr. Chinmay Pandit	Additional and Executive Director (w.e.f. 26 July 2022)
	Mr. Anant Talaulicar	Independent Director
	Mr. B V R Subbu	Independent Director
	Prof. Alberto Sangiovanni Vincentelli	Independent Director
	Mr. Nickhil Jakatdar	Independent Director
	Ms. Shubhalakshmi Panse	Independent Director (upto 17 June 2021)
	Ms. Bhavna Doshi	Independent Director (w.e.f. 15 September 2021)
	Prof. Rajiv Lal	Independent Director (w.e.f. 1 November 2021)
	Ms. Priyamvada Hardikar	Chief Financial Officer
	Ms. Nida Deshpande	Company Secretary

C. List of other related parties with whom there are transactions:

Promoter	Mr. Ajay Bhagwat (w.e.f 1 April 2022)
	Ms. Ashwini Bhagwat (w.e.f 1 April 2022)
	Mr. Shrikrishna Patwardhan (w.e.f 1 April 2022)
Relative of KMP	Mr. S.B.(Ravi) Pandit (w.e.f 26 July 2022)
	Mr. Chinmay Pandit
	Ms. Jayada Pandit
	Ms. Anupama Kishor Patil
	Ms. Hemlata Shende
	Ms. Asha Khandkar
	Mr. Ameya Mehendale
	Ms. Manasi Patil
	Ms. Nirmala Shashishekhar Pandit
Enterprise over which KMP have significant influence	KP Corporate Solutions Limited (upto 26 July 2022)
	Proficient FinStock LLP
	Sentient Labs Private Limited
	Kirtane & Pandit LLP
	PathPartner Technology Private Limited (w.e.f. 1 October 2021)
	K & P Management Services Private Limited
	KP Capital Advisors Private Limited

D. Transactions with related parties

No.	Name of Related party	31 March 2023		31 March 2022	
		Amount of transactions during the year	Balance as on 31 March 2023 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2022 Debit/(Credit)
Transactions with Key Management Personnel and relative of Key Management Personnel (iii) & (iv)					
1	**Mr. S. B. (Ravi) Pandit**				
	Post employment benefits	Nil	Nil	Nil	Nil
	Dividend paid	3.26	Nil	2.72	Nil

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

No.	Name of Related party	31 March 2023		31 March 2022	
		Amount of transactions during the year	Balance as on 31 March 2023 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2022 Debit/(Credit)
	Commission paid	7.75	Nil	3.80	Nil
	Sitting Fees	0.66	Nil	0.97	Nil
	Reimbursement of expenses (net)	0.14	Nil	0.03	(0.21)
2	**Mr. Kishor Patil**				
	Short term employee benefits	50.48	Nil	44.92	Nil
	Post employment benefits	2.17	Nil	1.51	Nil
	Sitting Fees	0.01	Nil	Nil	Nil
	Dividend paid	44.04	Nil	36.70	Nil
	Reimbursement of expenses (net)	0.86	1.12	0.63	(0.01)
3	**Mr. Sachin Tikekar**				
	Short term employee benefits	45.39	Nil	42.24	Nil
	Post employment benefits	1.62	Nil	1.09	Nil
	Dividend paid	2.45	Nil	2.19	Nil
	Reimbursement of expenses (net)	0.45	(0.09)	Nil	(0.01)
4	**Mr. Anup Sable**				
	Short term employee benefits	12.85	Nil	2.55	Nil
	Post employment benefits	0.35	Nil	0.08	Nil
	Share based compensation	2.64	Nil	0.30	Nil
	Sitting Fees	0.01	Nil	Nil	Nil
	Dividend paid	1.33	Nil	0.50	Nil
	Reimbursement of expenses (net)	2.27	(0.70)	0.82	0.62
5	**Mr. Chinmay Pandit**[v]				
	Short term employee benefits	36.35	Nil	18.26	Nil
	Post employment benefits	Nil	Nil	0.05	Nil
	Salary advance	Nil	Nil	3.79	3.00
	Recovery of salary advance	3.02		0.79	
	Dividend paid	0.13	Nil	0.11	Nil
	Reimbursement of expenses (net)	0.81	Nil	0.51	(0.01)
Transactions with Key Management Personnel and relative of Key Management Personnel [iii] & [iv]					
6	**Mr. Anant Talaulicar**				
	Commission paid	4.92	Nil	2.66	Nil
	Sitting Fees	0.66	Nil	0.91	Nil
7	**Mr. B V R Subbu**				
	Commission paid	3.29	Nil	2.34	Nil
	Sitting Fees	0.52	Nil	0.57	Nil
8	**Ms. Shubhalakshmi Panse**				
	Commission paid	0.49	Nil	1.85	Nil
	Sitting Fees	Nil	Nil	0.14	Nil
9	**Mr. Nickhil Jakatdar**				
	Commission paid	2.09	Nil	1.38	Nil
	Sitting Fees	0.21	Nil	0.30	Nil
10	**Prof. Alberto Sangiovanni Vincentelli**				

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

No.	Name of Related party	31 March 2023		31 March 2022	
		Amount of transactions during the year	Balance as on 31 March 2023 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2022 Debit/(Credit)
	Commission paid	4.06	Nil	2.13	Nil
	Reimbursement of expenses (net)	0.80	Nil	Nil	Nil
	Sitting Fees	0.26	Nil	0.32	(0.05)
11	**Ms. Bhavna Doshi**				
	Sitting Fees	0.42	Nil	0.18	Nil
	Commission paid	1.25	Nil	Nil	Nil
12	**Prof. Rajiv Lal**				
	Sitting Fees	0.26	Nil	0.06	Nil
	Commission paid	0.47	Nil	Nil	Nil
13	**Ms. Priyamvada Hardikar**				
	Short term employee benefits	10.68	Nil	9.15	Nil
	Post employment benefits	0.28	Nil	0.23	Nil
	Share based compensation	2.48	Nil	0.98	Nil
	Perquisites	8.60	Nil	3.87	Nil
	Dividend paid	0.21	Nil	0.16	Nil
	Reimbursement of expenses (net)	0.32	(0.13)	0.00*	(0.00)*
14	**Ms. Nida Deshpande**				
	Short term employee benefits	3.21	Nil	2.67	Nil
	Post employment benefits	0.11	Nil	0.08	Nil
	Perquisites	Nil	Nil	0.48	Nil
	Dividend paid	0.00*	Nil	0.00*	Nil
	Reimbursement of expenses (net)	0.00*	Nil	Nil	Nil
	Share based compensation	0.07	Nil	0.18	Nil
15	**Ms. Jayada Pandit**				
	Short term employee benefits	2.57	Nil	2.47	Nil
	Post employment benefits	0.07	Nil	0.07	Nil
16	**Ms. Anupama Kishor Patil**				
	Dividend paid	3.16	Nil	4.44	Nil
17	**Ms. Hemlata Shende**				
	Dividend paid	0.07	Nil	0.11	Nil
18	**Ms. Manasi Patil**				
	Short term employee benefits	2.88	Nil	2.56	Nil
	Post employment benefits	0.08	Nil	0.07	Nil
	Dividend paid	0.01	Nil	0.01	Nil
19	**Ms. Nirmala Shashishekhar Pandit**				
	Dividend paid	0.79	Nil	0.66	Nil
20	**Ms. Asha Khandkar**				
	Dividend paid	0.00*	Nil	Nil	Nil
21	**Mr. Ameya Mehendale**				
	Dividend paid	0.00*	Nil	Nil	Nil

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

No.	Name of Related party	31 March 2023 Amount of transactions during the year	31 March 2023 Balance as on 31 March 2023 Debit/(Credit)	31 March 2022 Amount of transactions during the year	31 March 2022 Balance as on 31 March 2022 Debit/(Credit)
Transactions with promoters (iii) & (iv)					
1	**Mr. Ajay Bhagwat**				
	Dividend paid	8.70	Nil	NA	NA
2	**Ms. Ashwini Bhagwat**				
	Dividend paid	0.14	Nil	NA	NA
3	**Mr. Shrikrishna Patwardhan**				
	Short term employee benefits	4.51	Nil	NA	NA
	Post employment benefits	0.19	Nil	NA	NA
	Reimbursement of expenses (net)	0.00*	(0.33)	NA	NA
	Dividend paid	3.63	Nil	NA	NA
Transactions with enterprise over which Key Management Personnel have significant influence (iii)					
1	**Kirtane & Pandit LLP**				
	Professional fees	1.74	0.04	1.51	(0.24)
	Reimbursement of expenses (net)	Nil	Nil	0.01	Nil
2	**K & P Management Services Private Limited**				
	Dividend paid	0.99	Nil	0.83	Nil
3	**KP Capital Advisors Private Limited**				
	Professional fees	0.42	0.02	0.25	(0.05)
4	**KP Corporate Solutions Limited**				
	Professional fees	0.90	NA	8.68	Nil
5	**Proficient FinStock LLP**				
	Settlement of advance	Nil	Nil	137.44	Nil
	Dividend paid	293.24	Nil	244.37	Nil
6	**Sentient Labs Private Limited**				
	Advance received (net)	128.00	8.51	Nil	(43.37)
	Reimbursement of expenses (net)	181.29		189.74	
Transactions with joint ventures/associate (iii)					
1	**PathPartner Interior Sensing Private Limited**				
	Investment in equity	Nil	Nil	2.52	2.52
2	**FMS Future Mobility Solutions GmbH**				
	Investment in equity	Nil	252.22	215.95	215.95
	Professional fees	227.40	(41.22)	Nil	Nil
	Reimbursement of expenses (net)	(1.64)		Nil	Nil
	Sale	99.64	50.18	Nil	Nil
3	**Yantra Digital Services Private Limited**				
	Proceeds from liquidation process	0.98	Nil	3.15	Nil

* Since denominated in ₹ millions

i. Striking off of KPIT Technologies Pte Ltd. is completed on 4 July 2022.

ii. The investee is an associate 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.

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

iii. All transactions with these related parties are priced on an arm's length basis.

iv. Remuneration excludes provision for gratuity and compensated absences as separate actuarial valuation for the directors, key management personnel and their relatives is not available.

v. Deputed on secondment to KPIT Technologies Inc., USA, a wholly owned subsidiary, with effect from 26 July 2021.

51 Business combinations

A. Business Combinations during the previous year - FY 2021-22

51.1 PathPartner Technology Private Limited

Effective 1 October 2021, the Company had acquired controlling stake in PathPartner Technology Private Limited ("PathPartner"). PathPartner is engaged in design service and solution provider for Automotive, Camera, Internet of Things (IoT), Multimedia devices, Driver Monitoring Systems, Asset tracking platform, Camera module platform and several re-usable IP building blocks. PathPartner is an Indian company which currently employs 350+ people including 290 embedded software engineers. It is headquartered in Bengaluru, with R&D centers in Kochi, India, California, USA and a office in Frankfurt, Germany.

This partnership with PathPartner will:

i. strengthen the Company's software integration capabilities and help deliver complex software solutions for new-age vehicle architectures.

ii. allow early access to semiconductor technologies by leveraging PathPartner centers of excellence and technical assets for automotive OEMs and Tier 1s.

iii. provide compelling value in performance engineering of complex high compute domain controller software in Autonomous, Infotainment, Connected, and Electrification domains.

a. Consideration transferred (at the acquisition date fair values)

The total cash consideration for the controlling stake in PathPartner is ₹ 890 million.

b. The fair value of assets acquired and liabilities assumed as at the date of acquisition were:

Particulars	Amount
ASSETS	
Non-current assets	
Property, plant and equipment	32.32
Right-of-use assets	39.28
Other intangible assets	3.47
Financial assets	
Investments in subsidiaries	5.00
Other financial assets	39.97
Deferred Tax Asset	38.21
Income tax assets (net)	14.74
	173.00
Current assets	
Inventories	1.78
Financial assets	
Investments	35.85
Trade receivables	118.95

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

Particulars	Amount
Cash and cash equivalents	47.05
Other balances with banks	0.25
Loans	4.51
Other financial assets	4.73
Other Current assets	143.12
	356.23
Total assets	**529.24**
Liabilities	
Non-current liabilities	
Financial liabilities	
Lease liabilities	13.92
Provisions	52.28
	66.20
Current liabilities	
Financial liabilities	
Lease liabilities	32.99
Trade payables	37.87
Other financial liabilities	13.14
Other current liabilities	14.52
Provisions	78.00
	176.53
Total liabilities	**242.73**
Total identifiable net assets at fair value	**286.51**

c. Non-controlling interest

The Company has elected to measure the non-controlling interest in the acquiree at the proportionate share in the recognised amounts of the identifiable net assets.

d. Purchase price allocation

Particulars	Amount
Fair value of net assets/(liabilities) as on the date of acquisition	286.51
Customer relationship	75.38
Deferred tax (liability) on customer relationship	(26.34)
Goodwill	688.67
Fair value of net assets/(liabilities) including goodwill	**1,024.22**
Less: Non-controlling interest	134.22
Purchase consideration (as per Tranche 1 of Share Purchase Agreement)	**890.00**

During the current year, the Company has finalised the purchase price allocation of PathPartner.

e. Net cash outflow on acquisition of subsidiary

Particulars	Amount
Consideration to be paid in cash*	890.00
Less : Cash and cash equivalents balances acquired	95.62
Net cash outflow on acquisition	**794.38**

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

*The purchase consideration of ₹ 147.49 million (Previous year ₹ 263.96 million) is outstanding to be payable to the Tranche 1 shareholders as at 31 March 2023.

f. During the previous year, from the date of acquisition, the acquiree along with its subsidiaries had contributed ₹ 572.13 million to revenue and ₹ 68.37 million to the profit before tax from continuing operations of the Group. If the combination had taken place at 1 April 2021, the Group's revenue for the year ended 31 March 2022 would had been ₹ 24,848.27 million and profit before tax would had been ₹ 3,460.52 million.

g. Further, the Share Purchase Agreement also provides for an acquisition of the balance stake under Tranche 2 and Tranche 3. Accordingly, during the previous year, the Company had recognised a contractual obligation of ₹ 871.84 million towards the said acquisition. During the current year, the Company has purchased an additional stake of 20% under Tranche 2.

h. The Company had also taken over its share of reserves as at 1 October 2021, in the wholly owned subsidiaries of the Acquiree, amounting to ₹ 22.48 million.

51.2 Scheme of merger of Impact Automotive Solutions Limited

The Board of Directors of the Company at its meeting held on 26 July 2019 had approved the Composite Scheme of Arrangement (the 'Scheme') for merger of Impact Automotive Solutions Limited ('Transferor Company'), wholly owned subsidiary of the Company with the Company.

Application seeking approval of the Scheme was subsequently filed with Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench on 27 September 2019.

On receipt of the certified copy of the order dated 15 June 2021 from NCLT, Mumbai Bench sanctioning the Scheme, with appointed date 1 April 2019, and upon filing the same with Registrar of Companies, Maharashtra on 22 June 2021 the Scheme had become effective.

Accordingly, the Company had given effect to the Scheme from the Appointed date of 1 April 2019 by revising the consolidated financial statements for the year ended 31 March 2020 and 31 March 2021.

As a consequence of the aforesaid merger, the Company recognized tax benefits accrued amounting to ₹ 11.62 million directly under equity as at 1 April 2019. Tax benefits amounting to ₹ 9.92 million and ₹ 57.06 million were recognized under the revised statement of profit and loss for the financial year ending 31 March 2020 and 31 March 2021 respectively.

B. Business Combinations during the current year - FY 2022-23

51.3 Acquisition of SOMIT Solutions Limited

Effective 31 May 2022, the Company has acquired controlling stake in SOMIT Solutions Limited ("SOMIT") through its wholly owned subsidiary KPIT Technologies (UK) Limited. SOMIT enables after-sales operations of high tech luxury and new age OEMs through a cloud-based vehicle diagnostics platform & expert consulting services.

SOMIT's cloud-based platform features an intelligent and intuitive diagnostics solution that will enhance a service technician's user experience and improve service quality by increasing the ratio of first-time-right repairs. The acquisition of SOMIT complements KPIT's aftersales diagnostics platform and strengthens its positioning to cater to the multi-billion automotive aftersales industry and address higher value share in KPIT's strategic clients.

a. Consideration transferred (at the acquisition date fair values)

Particulars	Amount in ₹ (million)
Cash consideration	
Tranche 1	343.79
Tranche 2	190.86
Contingent consideration (Refer note f below)	165.51
Total	**700.16**

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

b. The fair value of assets acquired and liabilities assumed as at the date of acquisition are:

Particulars	Amount in ₹ (million)
ASSETS	
Non-current assets	
Property, plant and equipment	1.01
Other intangible assets	3.54
Financial assets	
Investments in subsidiaries	2.20
	6.75
Current assets	
Financial assets	
Trade receivables	25.01
Cash and cash equivalents	34.37
Other financial assets	81.09
Other Current assets	0.20
	140.67
Total assets	**147.42**
Liabilities	
Current liabilities	
Financial liabilities	
Trade payables	0.02
Other financial liabilities	10.30
Other current liabilities	75.53
	85.85
Total liabilities	**85.85**
Total identifiable net assets at fair value	**61.57**

c. Purchase price allocation

Particulars	Amount in ₹ (million)
Purchase consideration	700.16
Less : Customer Relationships	44.43
Add : Deferred Tax on Customer Relationships	15.53
Less : Fair value of identifiable net assets acquired	61.57
Goodwill arising on acquisition	**609.69**

During the current year, the Company has finalised the purchase price allocation.

d. Net cash outflow on acquisition of subsidiary

Particulars	Amount in ₹ (million)
Consideration paid in cash*	534.65
Less : Cash and cash equivalents balances acquired	34.37
Net cash outflow on acquisition	**500.28**

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

e. From the date of acquisition, the acquiree along with its subsidiary has contributed ₹ 251.17 million to revenue and ₹ 31.85 million to the profit before tax from continuing operations of the Group. If the combination had taken place at the beginning of the year, the Group's revenue would have been ₹ 301.40 million and the profit before tax would have been ₹ 38.22 million.

f. The Share Purchase Agreement provides for a earnout consideration which is linked to the financial performance of the Acquiree. Accordingly, the Group has recorded a contractual obligation during the current year based on a probability weightage method considering the scenario-based outcomes. The estimate of probability of achieving them is almost certain.

g. The Group has also taken over its share of reserves as at 31 May 2022, in the wholly owned subsidiary of the acquiree, amounting to ₹ (7.43) million.

51.4 Acquisition of Technica Group

Effective 1 October 2022, the Group has acquired the entire stake in Technica Group. Technica Group specializes in production-ready system prototyping (combination of network system architecture, hardware prototyping, integration), automotive ethernet products, and tools for validation.

Technica Group consists of Technica Engineering Gmbh, Germany ("Technica Germany"), Technica Electronics Barcelona S.L., Spain ("Technica Barcelona"), Technica Engineering Spain S.L., Spain ("Technica Spain") and Technica Engineering Inc, USA ("Technica USA").

The acquisition of Technica Group will create across-the-stack expertise offering a one-stop shop for the industry to transform towards Software Defined Vehicles.

a. Consideration transferred (at the acquisition date fair values)

Particulars	Amount in ₹ (million)
Cash consideration	5,333.96
Deferred consideration	1,763.75
Working capital adjustments	345.90
Contingent consideration (Refer note f below)	2,469.36
Total	**9,912.97**

b. The fair value of assets acquired and liabilities assumed as at the date of acquisition are:

Particulars	Amount in ₹ (million)
ASSETS	
Non-current assets	
Property, plant and equipment	114.14
Right-of-use assets	421.85
Other intangible assets	1.03
Income tax assets (net)	1.38
	538.40
Current assets	
Inventories	573.00
Financial assets	
Trade receivables	
Billed	1,051.69
Unbilled	407.71
Cash and cash equivalents	302.31
Other financial assets	147.14

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

Particulars	Amount in ₹ (million)
Other Current assets	8.35
	2,490.20
Total assets	**3,028.60**
Liabilities	
Current liabilities	
Financial liabilities	
Borrowings	523.93
Lease liabilities	413.57
Trade payables	331.35
Other financial liabilities	432.77
Other current liabilities	97.15
Provisions	8.82
Income tax liabilities (net)	192.10
	1,999.69
Total liabilities	**1,999.69**
Total identifiable net assets at fair value	**1,028.91**

c. **Provisional amount of goodwill arising on acquisition**

Particulars	Amount in ₹ (million)
Purchase consideration	9,912.97
Less : Customer Relationships	1,664.03
Add : Deferred Tax on Customer Relationships	581.48
Less : Fair value of identifiable net assets acquired	1,028.91
Provisional goodwill arising on acquisition	**7,801.51**

Note:

(i) The above Goodwill is primarily on account of assembled workforce of the Group taken over in the acquisition and expected synergies arising from the acquisition which cannot be recognized as a separate intangible asset as per IND-AS 103.

(ii) Currently, as per the provisions of IND-AS 103 Business Combinations, the Group has accounted for this acquisition on the provisional basis, pending measurement of the identifiable assets acquired and liabilities assumed.

d. **Net cash outflow on acquisition of subsidiary**

Particulars	Amount in ₹ (million)
Consideration to be paid in cash	5,333.96
Less : Cash and cash equivalents balances acquired	302.31
Net cash outflow on acquisition	**5,031.65**

e. From the date of acquisition, the acquiree (Technica Group) has contributed ₹ 2,641.91 million to revenue and ₹ 359.56 million to the profit before tax from continuing operations of the Group. If the combination had taken place at the beginning of the year, the Group's revenue would have been ₹ 5,283.82 million and the profit before tax would have been ₹ 719.12 million.

f. The Share Purchase Agreement provides for a earnout consideration which is linked to the financial performance of the Acquiree. Accordingly, the Group has recorded a contractual obligation during the current year based on a probability weightage method considering the scenario-based outcomes. The estimate of probability of achieving them is almost certain.

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

52 Disclosure of financial information of subsidiaries with material non-controlling interest

The interest that non-controlling interest have 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 2023	31 March 2022
PathPartner Technology Private Limited (PathPartner) (Refer note 51.1)	India	20.00%	40.00%

B. Details of non-controlling interest

Particulars	31 March 2023	31 March 2022
Accumulated balance of non-controlling interest	117.56	155.47

C. Summarised balance sheet (before inter-company eliminations)

Particulars	31 March 2023	31 March 2022
Non-current assets	222.81	148.84
Cash and cash equivalents	6.16	34.20
Current assets (excluding cash and cash equivalents)	491.57	430.29
Total	**720.54**	**613.33**
Non-current liabilities	128.40	55.04
Trade payables	16.57	21.84
Current liabilities (excluding trade payables)	90.28	195.67
Total	**235.25**	**272.55**
Total equity	**485.29**	**340.78**
Attributable to:		
Owners of the Group	388.23	204.47
Non-controlling interest	97.06	136.31

D. Summarised Statement of Profit and Loss (before inter-company eliminations)

Particulars	For the year ended 31 March 2023	For the period from 1 October 2021 to 31 March 2022
Revenue	1,032.81	525.80
Other income	88.56	6.18
Total income	**1,121.37**	**531.98**
Employee benefits expense	744.16	336.03
Finance costs	2.88	1.56
Depreciation and amortization	46.23	21.39
Other expenses	129.02	117.03
Total expenses	**922.29**	**476.01**
Profit before tax	**199.08**	**55.97**

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

Particulars	For the year ended 31 March 2023	For the period from 1 October 2021 to 31 March 2022
Current tax	32.62	20.02
Deferred tax	21.86	(4.98)
Total tax expense	**54.48**	**15.04**
Profit for the year	**144.60**	**40.93**

E. Summarised cash flow information (before inter-company eliminations)

Particulars	For the year ended 31 March 2023	For the period from 1 October 2021 to 31 March 2022
Cash flow from:		
Operating activities	28.18	98.15
Investing activities	(23.14)	(94.63)
Financing activities	(33.08)	(16.37)
Net decrease in cash and cash equivalents	**(28.04)**	**(12.85)**

53 Corporate Social Responsibility (CSR)

The Company, as per section 135 of the Companies Act 2013, is required to spend towards CSR, 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.

	Name of the subsidiary	31 March 2023	31 March 2022
a.	Amount required to be spent by the company during the year	41.83	27.60
b.	Amount of expenditure incurred for purposes other than construction/acquisition of any asset	41.86	38.22
c.	Shortfall at the end of the year	-	-
d.	Total of previous years shortfall	-	-
e.	Reason for shortfall	NA	NA
f.	Nature of CSR activities	Environmental sustainability, Promoting education, Training to promote Olympic sports, Women empowerment, Ecological balance and Covid 19 relief.	
g.	Details of related party transactions in relation to CSR expenditure as per relevant accounting standard	-	-

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

Movement in the unspent CSR provision amount is as under:

Particulars	31 March 2023	31 March 2022
Carrying amount as at the beginning of the year	-	3.31
Additional provision made during the year	-	-
Spend during the year	-	(3.31)
Carrying amount at the end of the year	-	-

Also, refer Annexure 5 of the Director's Report.

54 Disclosure under Rule 11(e) and 11(f) of the Companies (Audit and Auditors) Rules, 2014

SN	Name of the intermediary	Date	Amount (₹ million)	Use of funds
1	KPIT Technologies GmbH	04 October 2022	3,233.80	Acquisition of 100% stake in Technica Engineering GmbH

55 Additional regulatory information pursuant to the requirement in Division II of Schedule III to the Companies Act 2013

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any transactions with companies struck off.

(iii) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group (other than as mentioned in note 54) has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

(viii) The Group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Group with banks and financial institutions are in agreement with the books of accounts.

Notes forming part of the consolidated financial statements

(Amount in ₹ million)

(ix) None of the entities in the Group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(x) The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(xi) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

56 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 2022-2023.

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: 26 April 2023

For and on behalf of the Board of Directors of
KPIT TECHNOLOGIES LIMITED
CIN: L74999PN2018PLC174192

S. B. (Ravi) Pandit
Chairman of The Board
DIN: 00075861

Kishor Patil
CEO & Managing Director
DIN: 00076190

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 26 April 2023

NOTICE

NOTICE is hereby given that the 6th Annual General Meeting ("AGM") of KPIT Technologies Limited will be held on, Tuesday, August 29, 2023, at 3.00 p.m., through Video Conference (VC) / Other Audio-Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2023, together with the reports of the Auditors and the Board of Directors thereon.

2. To receive, consider and adopt the Audited Consolidated Financial Statements for the financial year ended March 31, 2023, together with the report of the Auditors thereon.

3. To declare final dividend for the financial year ended March 31, 2023.

   [The Board has recommended Final Dividend at ₹ 2.65/- per equity share of ₹ 10/- each (at 26.5%) in addition to Interim Dividend paid at ₹ 1.45/- per equity share of ₹ 10/- each (at 14.5%)]

4. To appoint a director in place of Mr. Kishor Patil (DIN: 00076190) who retires by rotation and being eligible, offers himself for reappointment.

5. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

   To reappoint M/s. BSR & Co. LLP, Chartered Accountants, Pune (FRN 101248W/W-100022) as Statutory Auditors of the Company from the conclusion of 6th Annual General Meeting to be held in the year 2023 till the conclusion of the 11th Annual General Meeting to be held in the year 2028.

   "RESOLVED THAT pursuant to Section 139, 141 and 142 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR, 2015"), and on the recommendations of the Audit Committee and Board of Directors of the Company, M/s. BSR & Co. LLP, Chartered Accountants, Pune (FRN 101248W/W-100022) be and are hereby reappointed as the Statutory Auditors of the Company to hold office from the conclusion of 6th Annual General Meeting to be held in the year 2023 till the conclusion of the 11th Annual General Meeting to be held in the year 2028 at such remuneration and on such terms and conditions as recommended by the Audit Committee and as may be mutually agreed by the Board of Directors in consultation with the Statutory Auditors from time to time.

   RESOLVED FURTHER THAT the Board of Directors of the Company, be authorized on behalf of the Company, including but not limited to determine role and responsibilities/ scope of work of the Statutory Auditors, to negotiate, finalize, amend, sign, deliver and execute the terms of appointment, including any contract or document in this regard and to alter and vary the terms and conditions of remuneration arising out of increase in scope of work, amendments to the Accounting Standards or the Companies Act, 2013 or Rules framed thereunder or SEBI LODR, 2015 and such other requirements resulting in any change in the scope of work, etc., without being required to seek any further consent or approval of the Members of the Company and to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary or desirable for the purpose of giving effect to this Resolution and with power to the Board to settle all questions, difficulties or doubts that may arise in respect of the implementation of this Resolution.

   RESOLVED FURTHER THAT any of the key managerial personnel 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 or things including filing the requisite forms or submission of documents with any authority as may be necessary or desirable to give effect to this resolution."

SPECIAL BUSINESS

6. **To consider and if thought fit, to pass with or without modification(s), the following resolution as SPECIAL RESOLUTION:**

   "RESOLVED THAT pursuant to the provisions of Section 149 and Section 152, read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval and recommendation of the Nomination and Remuneration (HR) Committee, and that of the Board, Mr. Anant Talaulicar (DIN: 00031051), who holds office as an independent director up to January 15, 2024 be and is hereby reappointed as an independent director, not liable to retire by rotation, for a second term of five years with effect from January 16, 2024 to January 15, 2029.

RESOLVED FURTHER THAT any of the key managerial personnel of the Company, be and is hereby severally authorized to furnish a certified copy of this resolution and to do all such acts, deeds, matters or things as may be necessary or desirable to give effect to this resolution."

7. **To consider and if thought fit, to pass with or without modification(s), the following resolution as SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 149 and Section 152, read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval and recommendation of the Nomination and Remuneration (HR) Committee, and that of the Board, Prof. Alberto Luigi Sangiovanni Vincentelli (DIN: 05260121), who holds office as an independent director up to January 15, 2024 be and is hereby reappointed as an independent director, not liable to retire by rotation, for a second term of three years with effect from January 16, 2024 to January 15, 2027.

RESOLVED FURTHER THAT any of the key managerial personnel of the Company, be and is hereby severally authorized to furnish a certified copy of this resolution and to do all such acts, deeds, matters or things as may be necessary or desirable to give effect to this resolution."

8. **To consider and if thought fit, to pass with or without modification(s), the following resolution as SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 149 and Section 152, read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval and recommendation of the Nomination and Remuneration (HR) Committee, and that of the Board, Mr. B V R Subbu (DIN: 00289721), who holds office as an independent director up to January 15, 2024 be and is hereby reappointed as an independent director, not liable to retire by rotation, for a second term of two years with effect from January 16, 2024 to January 15, 2026.

RESOLVED FURTHER THAT any of the key managerial personnel of the Company, be and is hereby severally authorized to furnish a certified copy of this resolution and to do all such acts, deeds, matters or things as may be necessary or desirable to give effect to this resolution."

9. **To consider and if thought fit, to pass with or without modification(s), the following resolution as SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 149 and Section 161, read with Schedule IV, Article 93 of the Articles of Association of the Company and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Srinath Batni (DIN: 00041394), who was appointed as an Additional and Independent Director of the Company and whose term expires at the ensuing Annual General Meeting be and is hereby appointed as an Independent Director of the Company pursuant to sections 149 and 152 of the Act, for a period of five years from July 25, 2023 to July 24, 2028 not liable to retire by rotation.

RESOLVED FURTHER THAT any of the key managerial personnel of the Company, be and is hereby severally authorized to furnish a certified copy of this resolution and to do all such acts, deeds, matters or things as may be necessary or desirable to give effect to this resolution."

10. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Schedule V thereof and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR, 2015"), on recommendation of Nomination and Remuneration (HR) Committee and Board of Directors, consent be and is hereby accorded for the reappointment of Mr. Kishor Patil (DIN: 00076190) as Chief Executive Officer (CEO) and Managing Director of the Company, for a further period of five years with effect from January 16, 2024 to January 15, 2029 on the terms and conditions specified in the Agreement to be entered into between the Company and Mr. Kishor Patil with liberty to the Board of Directors, to alter or vary the terms and conditions and remuneration including minimum remuneration as it may deem fit and in such manner as may be agreed to between the Board and Mr. Kishor Patil.

RESOLVED FURTHER THAT approval be and is hereby accorded to the payment of remuneration to Mr. Kishor Patil as set out in the Explanatory Statement annexed to the Notice and the Board of Directors of the Company be and is hereby authorized to revise the said remuneration from time to time subject to the provisions of Section 197 and Schedule V of the Act and SEBI LODR, 2015 for the time being in force within the limits increased by special resolution passed by the Members in the Annual General Meeting held on August 25, 2021 under section 197 of the Act and SEBI LODR, 2015.

RESOLVED FURTHER THAT Mr. Kishor Patil shall continue to be liable to retire by rotation and this appointment shall be subject to his continuance as a director of the Company during his tenure and shall ipso facto terminate, if he ceases to be director of the Company for any reason whatsoever.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company will pay Mr. Kishor Patil remuneration, perquisites, allowances, benefits and amenities not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013, as may be decided by the Board of Directors, subject to necessary sanctions and approvals.

RESOLVED FURTHER THAT any of the key managerial personnel of the Company, be and is hereby severally authorized to furnish a certified copy of this resolution and to do all such acts, deeds, matters or things as may be necessary or desirable to give effect to this resolution."

11. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Schedule V thereof and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI LODR, 2015") on recommendation of Nomination and Remuneration (HR) Committee and Board of Directors, consent be and is hereby accorded for the reappointment of Mr. Sachin Tikekar (DIN: 02918460) as Joint Managing Director (Whole-time) of the Company, for a further period of five years with effect from January 16, 2024 to January 15, 2029 on the terms and conditions specified in the Agreement to be entered into between the Company and Mr. Sachin Tikekar with liberty to the Board of Directors, to alter or vary the terms and conditions and remuneration including minimum remuneration as it may deem fit and in such manner as may be agreed to between the Board and Mr. Sachin Tikekar.

RESOLVED FURTHER THAT approval be and is hereby accorded to the payment of remuneration to Mr. Sachin Tikekar as set out in the Explanatory Statement annexed to the Notice and the Board of Directors of the Company be and is hereby authorized to revise the said remuneration from time to time subject to the provisions of Section 197 and Schedule V of the Act and SEBI LODR, 2015, for the time being in force within the limits increased by special resolution passed by the Members in the Annual General Meeting held on August 25, 2021 under section 197 of the Act and SEBI LODR, 2015.

RESOLVED FURTHER THAT Mr. Sachin Tikekar shall continue to be liable to retire by rotation and this appointment shall be subject to his continuance as a director of the Company during his tenure and shall ipso facto terminate, if he ceases to be director of the Company for any reason whatsoever.

RESOLVED FURTHER THAT any of the key managerial personnel of the Company, be and is hereby severally authorized to furnish a certified copy of this resolution and to do all such acts, deeds, matters or things as may be necessary or desirable to give effect to this resolution."

12. To consider and if thought fit, to pass with or without modification(s), the following resolution as ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 188 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 including statutory modifications and re-enactments thereof, consent of the Company be and is hereby accorded to Ms. Jayada Pandit, a relative of Mr. Chinmay Pandit, Whole-time Director and Mr. S. B. (Ravi) Pandit, Chairman of the Board, to hold an office or place of profit in the Company as Sr. Manager - Marketing or such other post as she may be promoted hereafter, at a remuneration up to ₹ 60 Lacs per annum inclusive of salary, allowances, perquisites, benefits, amenities, but exclusive of variable performance incentives per annum, special bonus incentive per annum and increment as per the policy of the Company as applicable to the other employees in her grade with effect from August 29, 2023 and the Board of Directors may alter and vary the said terms and conditions of the appointment subject to the limit on the remuneration stated above in such manner as may be agreed to between the Board of Directors and Ms. Jayada Pandit.

RESOLVED FURTHER THAT any of the key managerial personnel 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 and take such steps as may be necessary and desirable to give effect to this resolution."

By Order of the Board of Directors
For **KPIT Technologies Limited**

Pune
July 25, 2023

Nida Deshpande
Company Secretary

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ("the Act") with respect to the Special Business to be transacted at the Sixth Annual General Meeting ("Meeting/AGM") is annexed hereto.

2. The relevant details, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR, 2015") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment and reappointment at this AGM is annexed.

3. Ministry of Corporate Affairs (MCA), vide General Circular No. 10/2022 dated December 28, 2022 & Securities and Exchange Board of India vide circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023, has allowed the Companies to conduct AGM through VC/OAVM on or before September 30, 2023, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, SEBI LODR, 2015 and MCA Circulars & SEBI Circulars, the AGM of the Company is being held through VC/OAVM. Further, MCA & SEBI vide relevant circulars has extended relaxations from dispatching physical copies of annual report to the shareholders, for the AGMs conducted till September 30, 2023. However, Companies are required to send hard copy of full annual reports to those shareholders who request for the same. The deemed venue for the AGM shall be the Registered Office of the Company.

4. Pursuant to the provisions of the Act and MCA Circulars, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form is not annexed to this Notice.

5. Participation of Members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Act.

6. Pursuant to the provisions of Section 108 of the Act, the Rules made thereunder and Regulation 44 of the SEBI Regulations, the Company is providing a facility to the shareholders to exercise their right to vote by electronic means (e-voting). Instructions for e-voting are attached to this notice.

7. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who 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 during the AGM.

8. Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM in-person or through VC / OAVM on its behalf and to vote by show of hands or through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to jbbhave@gmail.com with a copy marked to evoting@nsdl.co.in Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC.

9. The Company has fixed **Monday, August 14, 2023**, as the **Record Date** for determining entitlement of Members to final dividend for the financial year ended March 31, 2023, if approved at the AGM.

10. The Company has fixed **Tuesday, August 22, 2023**, as the **Cut-off Date** for determining entitlement of Members to vote on the resolutions set forth in above notice for the financial year as on March 31, 2023.

11. The e-voting period commences on **Thursday, August 24, 2023, (9:00 a.m. IST)** and ends on **Monday, August 28, 2023 (5:00 p.m. IST)** both days inclusive. During this period, Members holding shares either in physical or dematerialized form, as on **cut-off date, i.e.**, as on **Tuesday, August 22, 2023**, may cast their votes electronically. The e-voting module will be disabled by National Securities Depository Limited ("NSDL") for voting thereafter.

12. A member will not be allowed to vote again on any resolution on which vote has already been cast and shall not be allowed to change it subsequently. The voting rights of Members shall be in proportion to the number of shares held by the Members as on the **cut-off date, i.e., Tuesday, August 22, 2023.**

13. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.

14. In light of the MCA Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent by electronic mode to those Members whose email addresses are registered with the depositories. For Members who have not registered their email addresses, we urge them to support our commitment

to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective depository participants, and Members holding shares in physical mode are requested to update their email addresses with the Company's RTA, KFin Technologies Limited at einward.ris@kfintech.com to receive copies of the Annual Report 2022-23 in electronic mode.

15. In light of the MCA Circulars, shareholders who have not registered their email addresses and in consequence the Notice & Annual Report could not be serviced, may temporarily get their email address registered with the Company's Registrar and Share Transfer Agent, KFin Technologies Limited, by clicking the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx and follow the registration process as guided thereafter. Post successful registration of the email, the shareholder would get a soft copy of the notice and the procedure for e-voting along with the User ID and Password to enable e-voting for this Annual General Meeting.

16. Members may also note that the Notice and Annual Report 2022-23 will also be available on the Company's website https://www.kpit.com/investors/#corporate-governance and 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.

17. Members desirous of obtaining any information concerning the accounts, operations, and business of the Company are requested to address their queries to the Chief Investor Relation Officer at Sunil.Phansalkar@kpit.com or to the secretarial department at grievances@kpit.com so as to reach them at least seven days before the date of the meeting i.e., Tuesday, August 29, 2023, to enable the Company to make available the required information at the meeting, to the extent possible.

18. The Securities and Exchange Board of India ("SEBI") has made it mandatory to distribute dividends through electronic channel such as RTGS/NEFT/NACH. Members holding shares in demat form are requested to notify change in their bank account details, if any, to their DPs immediately and not to send the requests directly to the Company or to its Registrar & Share Transfer Agent. Members holding shares in physical form are requested to intimate change in their Bank account details, if any, to KFin.

19. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DPs. Members holding shares in physical form are required to submit their PAN details to the Registrar & Share Transfer Agent.

20. 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 demat 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 from 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.

21. All the shareholders are requested to note that, in terms of the provisions of the Income-tax Act, 1961, as amended by the Finance Act, 2020, Dividend paid or distributed by Company on or after April 1, 2020, shall be taxable in the hands of the shareholders. Every Company is required to deduct tax at source ("TDS") on Dividend to be paid to shareholders at the prescribed rate. Therefore, if a dividend is declared, the same will be paid after deducting TDS. Shareholders with PAN and who are not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail benefit of non-deduction of tax at source. The Shareholders can submit their declarations directly to RTA at https://ris.kfintech.com/form15 . Forms are available on website of RTA at https://mfs.kfintech.com/mfs/.

22. SEBI vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, has mandated shareholders holding shares in physical form for updating their PAN, KYC details and Nomination. The Company has sent communications to shareholders in this regard. The necessary forms can be downloaded from the website of KFin at www.kfintech.com & of the Company at www.kpit.com .

23. 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 certificate from the secretarial auditors of the Company under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will be available

for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM i.e., Tuesday, August 29, 2023. Members seeking to inspect such documents may send an email to grievances@kpit.com.

EXPLANATORY STATEMENT AND ADDITIONAL INFORMATION ON APPOINTMENT / REAPPOINTMENT AT THE ANNUAL GENERAL MEETING.

[As required by Section 102 of the Companies Act, 2013 ("the Act") and pursuant to Regulation 36 of 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, the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 12 of accompanying Notice.]

Item No. 5:

M/s. BSR & Co. LLP, Chartered Accountants [ICAI Firm's Registration No. 101248W/W-100022], (hereinafter referred to as "BSR") were appointed as Statutory Auditors of the Company in the Annual General Meeting (AGM) held in year 2018 till the conclusion of this 6th AGM of the Company.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence and the order or pending proceedings relating to professional matters of conduct against BSR before the Institute of Chartered Accountants of India and before Court of Law, etc. The Audit Committee and Board of Directors were of the opinion that the qualifications and experience of BSR are commensurate with the size and requirements of the Company. BSR audits various companies listed on stock exchanges in India. Therefore approved & recommended the appointment of BSR as Statutory Auditors of the Company to hold office for a second term of consecutive 5 years from the conclusion of the 6th AGM to be held in the year 2023 till the conclusion of the 11th AGM to be held in the year 2028.

BSR & Co. was constituted on March 27, 1990, as a partnership firm having firm registration no. 101248W. It was converted into Limited Liability Partnership i.e., M/s. BSR & Co. LLP on October 14, 2013, thereby having a new firm registration no. 101248W/W-100022. The registered office address of the firm is 14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Centre, Western Express Highway, Goregaon (East), Mumbai- 400063. BSR is a member entity of BSR & Affiliates, a network registered with the Institute of Chartered Accountants of India. BSR is registered in Mumbai, Gurgaon, Bangalore, Kolkata, Hyderabad, Pune, Chennai, Chandigarh, Ahmedabad, Vadodara, Noida, Jaipur and Kochi. BSR has 3000+ staff and 100+ Partners. The firm holds the 'Peer Review' certificate as issued by 'ICAI'.

The proposed remuneration of Statutory Auditors for the financial year 2023-24 will be Rs. 95 Lakhs to conduct audit of annual standalone and consolidated financial statements and financial results, audit of internal financial controls over financial reporting, limited reviews of quarterly results as per SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and tax audit plus applicable taxes and out of pocket expenses, as may be incurred, in connection with the aforesaid.

The Board of Directors in consultation with the Statutory Auditors, are authorized to alter and vary the terms and conditions including remuneration of the Statutory Auditors arising out of increase in scope of work, amendments to Accounting Standards or Listing Regulations and such other requirements resulting in the change in scope of work, etc.

The above fee excludes the proposed remuneration to be paid to overseas audit firms for the purpose of statutory audit of overseas subsidiaries and branches.

The fees for other services not prohibited by the provisions of Section 144 of the Companies Act, 2013 shall be mutually agreed between the Company and Statutory Auditors.

The Letter of Engagement specifying the detailed terms of appointment shall be finalized by Chief Financial Officer (CFO) in consultation with Chairman of Audit Committee and such terms shall specifically include the conditions as mentioned in para 6(A) and 6(B) of the SEBI circular dated October 18, 2019, bearing reference no. CIR/CFD/CMD1/114/2019 and such other conditions as may be specified by applicable law in force.

BSR consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141 of the Act. They have further confirmed that, they are not disqualified to be appointed as Statutory Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

None of the Directors or key managerial personnel or relatives of other directors or key managerial personnel is concerned or interested, financially or otherwise, in the proposed resolution.

The Board of Directors recommends the Ordinary Resolution set forth as Item No. 5 of the notice for approval of the shareholders.

Item No. 6:

Mr. Anant Talaulicar holds a bachelor's degree in mechanical engineering from Mysore University, a master's degree from the University of Michigan in Ann Arbor and an MBA degree from Tulane University, USA. He was the Chairman and Managing Director of the Cummins Group in India from March 2004 through October 2017, was a member of the Cummins Inc. global leadership team from August 2009 till 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. He 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 (CII), Society of Indian Automobile Manufacturers (SIAM) and Automobile Components Manufacturers Association (ACMA) in the past.

Aside from his board and trust memberships, Mr. Talaulicar is engaged as an advisor to companies and a start-up. He is a part time advisor and lecturer at the SP Jain Institute of Management & Research. He is funding the Usha Jaivant Foundation to educate financially disadvantaged rural youth through college and educating them about important aspects of spirituality, values and life skills.

Mr. Anant Talaulicar has been appointed as an Independent Director of the Company by the Members in the AGM held on August 28, 2019, to hold office from January 16, 2019, till January 15, 2024 (first term). Mr. Talaulicar is well conversant with the Company's business industry & related business areas of the Company. He brings independent judgement and gives thoughtful directions in Board room discussions or otherwise. He has played an immense role in structuring & overseeing the initiatives taken by CSR and People functions at KPIT. He has been a keen observer of the IT industry for decades and his vision domain has helped the Company to achieve significant growth in strategy & planning at a global level.

After taking into account the performance evaluation of Mr. Anant Talaulicar during his first term of five years and considering his knowledge, acumen, expertise, experience and substantial contribution and time commitment, the Nomination and Remuneration (HR) Committee has recommended to the Board his reappointment for a second term of five years. The Nomination and Remuneration (HR) Committee has considered his diverse skills, leadership capabilities, expertise in governance and finance, risk management and vast global business experience, among others, as being key requirements for this role and recommendation of Nomination and Remuneration (HR) Committee, the Board is of the view that Mr. Anant Talaulicar possesses the requisite skills and capabilities, which would be of immense benefit to the Company, and hence, it is desirable to reappoint him as an independent director.

Based on the recommendation of the Nomination and Remuneration (HR) Committee, the Board has recommended the reappointment of Mr. Anant Talaulicar as an independent director, not liable to retire by rotation, for a second term of five years effective January 16, 2024, to January 15, 2029.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Anant Talaulicar for the office of Independent Director of the Company. Mr. Anant Talaulicar is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

According to the provisions of the Companies Act, 2013, the appointment of independent director(s) of the Company shall be approved at the meeting of shareholders. Accordingly, it is proposed to approve the reappointment of Mr. Talaulicar as an Independent Director in the AGM for second term of five years from January 16, 2024, not liable to retire by rotation.

Mr. Talaulicar will be entitled to receive sitting fees and commission in the same manner as any other independent director is entitled to. The terms and conditions of appointment are given more elaborately in the appointment letter of Independent Directors displayed on the website of the Company at (https://www.kpit.com/investors/corporate-governance/).

Mr. Talaulicar has submitted a declaration of his independent status as required under Section 149 of the Companies Act, 2013 and that he is not disqualified from being appointed as a Director by the SEBI or any other authority, which has been taken on record by the Board of Directors of the Company. In the opinion of the Board of Directors, Mr. Talaulicar fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder and SEBI LODR, 2015 for being appointed as an Independent Director and Mr. Talaulicar is independent of the management.

Other details of Mr. Anant Talaulicar are given in a tabular format (Annexure-A) below, which forms part of this notice.

Mr. Anant Talaulicar is not related to any other director or key managerial personnel of the Company or relatives of Directors or key managerial personnel.

Mr. Anant Talaulicar is concerned or interested in the proposed resolution to the extent of the remuneration that the office of an independent director may incur.

None of the other Directors or key managerial personnel or relatives of other directors or key managerial personnel is concerned or interested in the proposed resolution.

The Board of Directors recommends the Special Resolution set forth as Item No. 6 of the notice for approval of the shareholders.

Item No. 7:

Prof. Alberto Sangiovanni Vincentelli is the Buttner Chair at the Department of Electrical Engineering & Computer Sciences, University of California, Berkeley. He is a Co-founder of Cadence and Synopsys, the two leading companies in the area of Electronic Design Automation. Prof. Alberto is a member of the Board of Directors of Cadence. He was a member of the HP Strategic Technology

Advisory Board, of the ST Microelectronics Advisory Board and of the Science and Technology Advisory Board of General Motors as well as a member of the Technology Advisory Council of United Technologies Corporation. He served as the Chairperson of the Strategy Committee of the Italian Strategic Fund, and as the Chairperson of the National Committee of Research Trustees for the Italian Ministry of University, Education and Scientific Research. He is the Chairperson of four High Tech Startup in UK, Netherlands and Italy. He consulted several companies such as Intel, IBM, ATT, General Electric, BMW, Mercedes, Magneti Marelli, GM, Fujitsu, Kawasaki Steel, Pirelli and Telecom Italia. Recently, Prof. Alberto has received the Frontiers of Knowledge Award.

Prof. Alberto has been appointed as an Independent Director of the Company by the Members in the AGM held on August 28, 2019, to hold office from January 16, 2019, till January 15, 2024 (first term). Further, the Members in the AGM held on August 25, 2021 have approved continuation of his appointment as an Independent Director on attaining the age of 75 years during his current tenure of directorship valid till January 15, 2024. Prof. Alberto is well conversant with the Company's business industry & related business areas of the Company. He brings independent judgement and gives thoughtful directions in Board room discussions or otherwise. He has been a keen observer of the IT industry for decades and his vision domain has helped the Company to achieve significant growth in strategy & planning at a global level. He has vast knowledge in AI & Digital solutions in the area of Autonomous Driving, Connected Vehicles, Vehicle Networks, Diagnostics and has a proactive and prophetic knowledge of technology and allied risks.

After taking into account the performance evaluation of Prof. Alberto during his first term of five years and considering his knowledge, acumen, expertise, experience and substantial contribution and time commitment, the Nomination and Remuneration (HR) Committee has recommended to the Board his reappointment for a second term of three years. The Nomination and Remuneration (HR) Committee has considered his diverse skills, leadership capabilities, expertise in technology, strategic planning, risk management and vast global business experience, among others, as being key requirements for this role, and recommendation of Nomination and Remuneration (HR) Committee, the Board is of the view that Prof. Alberto possesses the requisite skills and capabilities, which would be of immense benefit to the Company, and hence, it is desirable to reappoint him as an independent director.

Based on the recommendation of the Nomination and Remuneration (HR) Committee, the Board has recommended the reappointment of Prof. Alberto as an independent director, not liable to retire by rotation, for a second term of three years effective January 16, 2024, to January 15, 2027.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Prof. Alberto for the office of Independent Director of the Company. Prof. Alberto is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

According to the provisions of the Companies Act, 2013, the appointment of independent director(s) of the Company shall be approved at the meeting of shareholders. Accordingly, it is proposed to approve the reappointment of Prof. Alberto as an Independent Director in the AGM for a second term of three years from January 16, 2024, not liable to retire by rotation.

Prof. Alberto Sangiovanni Vincentelli will be entitled to receive sitting fees and commission in the same manner as any other independent director is entitled to. The terms and conditions of appointment are given more elaborately in the appointment letter of Independent Directors displayed on the website of the Company at (https://www.kpit.com/investors/corporate-governance/).

Prof. Alberto Sangiovanni Vincentelli has submitted a declaration of his independent status as required under Section 149 of the Companies Act, 2013 and that he is not disqualified from being appointed as a Director by the SEBI or any other authority, which has been taken on record by the Board of Directors of the Company. In the opinion of the Board of Directors, Prof. Alberto fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder and SEBI LODR, 2015 for being appointed as an Independent Director and Prof. Alberto is independent of the management.

Other details of Prof. Alberto Sangiovanni Vincentelli are given in a tabular format (Annexure-A) below, which forms part of this notice.

Prof. Alberto Sangiovanni Vincentelli is not related to any other director or key managerial personnel of the Company or relatives of Directors or key managerial personnel.

Prof. Alberto Sangiovanni Vincentelli is concerned or interested in the proposed resolution to the extent of the remuneration that the office of an independent director may incur.

None of the other Directors or key managerial personnel or relatives of other directors or key managerial personnel is concerned or interested in the proposed resolution.

The Board of Directors recommends the Special Resolution set forth as Item No. 7 of the notice for approval of the shareholders.

Item No. 8:

Mr. BVR Subbu is an automotive industry expert and a widely acknowledged thought leader. He holds a bachelor's degree in arts (honors) from the Bangalore University and a post graduate degree in Economics from Jawaharlal

Nehru University and a post graduate diploma from the Indian Institute of Foreign Trade. He was formerly the President of Hyundai Motors India. In his early career, he was extensively involved with Tata Motors holding various responsibilities in Tata Motors' Commercial Vehicles and Multi Utility Vehicles businesses.

Mr. BVR Subbu has been appointed as an Independent Director of the Company by the Members in the AGM held on August 28, 2019, to hold office from January 16, 2019, till January 15, 2024 ('first term'). Mr. Subbu has been a keen observer of the Automotive industry for decades with deep understanding in the Mobility space and his vision domain, has helped the Company to achieve significant growth in strategy & planning at a global level.

After taking into account the performance evaluation of Mr. BVR Subbu during his first term and considering his knowledge, acumen, expertise, experience and substantial contribution and time commitment, the Nomination and Remuneration (HR) Committee has recommended to the Board his reappointment for a further period of two years. Considering his diverse skills, leadership capabilities, expertise in governance and finance, risk management and vast global business experience, among others, as being key requirements for this role, and recommendation of Nomination and Remuneration (HR) Committee, the Board is of the view that Mr. BVR Subbu possesses the requisite skills, capabilities and deep understanding in the Mobility space which would be of immense benefit to the Company, and hence, it is desirable to reappoint him as an independent director.

Based on the recommendation of the Nomination and Remuneration (HR) Committee, the Board has recommended the reappointment of Mr. BVR Subbu as an independent director, not liable to retire by rotation, for a second term of two years effective January 16, 2024, to January 15, 2026.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. BVR Subbu for the office of Independent Director of the Company. Mr. Subbu is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

According to the provisions of the Companies Act, 2013, the appointment of independent director(s) of the Company shall be approved at the meeting of shareholders. Accordingly, it is proposed to approve the appointment of Mr. Subbu as an Independent Director in the AGM for a second term of two years from January 16, 2024, not liable to retire by rotation.

Mr. Subbu will be entitled to receive sitting fees and commission in the same manner as any other independent director is entitled to. The terms and conditions of appointment are given more elaborately in the appointment letter of Independent Directors displayed on the website of the Company at (https://www.kpit.com/investors/corporate-governance/).

Mr. Subbu has submitted a declaration of his independent status as required under Section 149 of the Companies Act, 2013 and that he is not disqualified from being appointed as a Director by the SEBI or any other authority, which has been taken on record by the Board of Directors of the Company. In the opinion of the Board of Directors, Mr. Subbu fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder and SEBI LODR, 2015 for being appointed as an Independent Director and Mr. Subbu is independent of the management.

Other details of Mr. BVR Subbu are given in a tabular format (Annexure-A) below, which forms part of this notice.

Mr. BVR Subbu is not related to any other director or key managerial personnel of the Company or relatives of Directors or key managerial personnel.

Mr. BVR Subbu is concerned or interested in the proposed resolution to the extent of the remuneration that the office of an independent director may incur.

None of the other Directors or key managerial personnel or relatives of other directors or key managerial personnel is concerned or interested in the proposed resolution.

The Board of Directors recommends the Special Resolution set forth as Item No. 8 of the notice for approval of the shareholders.

Item No. 9:

Mr. Srinath Batni holds a Bachelor's degree in Mechanical Engineering from Mysore University and a Master's degree in Mechanical Engineering from the Indian Institute of Science, Bangalore. He started his career with BHEL, a heavy engineering manufacturing Company, in the field of Design and R&D as an engineer trainee.

During the early eighties, with the advent of mainframe computers in business enterprises, he shifted focus to business systems domain. During this period, he was the member of the team responsible for designing and implementing enterprise wise material planning system using network database on ICL mainframe.

Mr. Batni took up the responsibility of Head of technical support for marketing the Bull main frames at PSI Data Systems Ltd when banks started automating the processes. His responsibility included technical bidding / sales, benchmarking and training the clients on systems implementation. After a brief period of two years, he joined Infosys Technologies Ltd as a Project Manager in its nascent stage. He held various positions and responsible for project management, managing the growth and preparing for scaling up through various initiatives. He was formally inducted to the board as an executive member of the board in the year 2000. He served as Head of Global Delivery- IT & Quality until retirement in the year 2014. He was also responsible for starting Infosys operation in China and Australia. During this period, he also served as the member of the executive committee of NASSCOM

– the software industry body, Trustee of the Infosys Foundation, Board member of Infosys China & Australia.

Mr. Batni served as an Independent Director, Chairman of the Nomination and Remuneration Committee & Member of Audit Committee on the Board of AXISCADES Technologies Limited (2014-2019) and Global Edge Software Ltd (2014-2017).

Mr. Batni is presently serving as,

- Co-founder & Director of Axilor Ventures Pvt Ltd, a start-up incubation and early-stage funding Company. Axilor helps early-stage startups to "win against odds" in the areas of health care, environment & renewable energy, Deep tech, B2B ecommerce & Agri tech.
- Independent Director, Chairman of the Nomination and Remuneration Committee & Member of the Audit committee on the Board of Cigniti Technologies Limited, Hyderabad.
- Chairman, India Advisory Board of Viterbi School of Engineering, University of Southern California.
- Board Member of the management of National Institute of Engineering Mysore, alma mater.
- Trustee of Infosys Science Foundation focussed in the field of science education.

Considering qualifications, experience, knowledge, expertise, skills of Mr. Batni and on the recommendation of the Nomination and Remuneration (HR) Committee, the Board has recommended the appointment of Mr. Srinath Batni as an independent director, not liable to retire by rotation, for a term of five years effective July 25, 2023 to July 24, 2028.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Srinath Batni for the office of Independent Director of the Company. Mr. Batni is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

According to the provisions of the Companies Act, 2013, the appointment of independent director(s) of the Company shall be approved at the meeting of shareholders. Accordingly, it is proposed to approve the appointment of Mr. Srinath Batni as an Independent Director in the AGM for term of five years from July 25, 2023, not liable to retire by rotation.

Mr. Srinath Batni will be entitled to receive sitting fees and commission in the same manner as any other independent director is entitled to. The terms and conditions of appointment are given more elaborately in the appointment letter of Independent Directors displayed on the website of the Company at (https://www.kpit.com/investors/corporate-governance).

Mr. Batni has submitted a declaration of his independent status as required under Section 149 of the Companies Act, 2013 and that he is not disqualified from being appointed as a Director by the SEBI or any other authority, which has been taken on record by the Board of Directors of the Company. In the opinion of the Board of Directors, Mr. Batni fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder and SEBI LODR, 2015 for being appointed as an Independent Director and Mr. Batni is independent of the management.

Other details of Mr. Srinath Batni are given in a tabular format (Annexure-A) below, which forms part of this notice.

Mr. Batni is not related to any other director or key managerial personnel of the Company or relatives of Directors or key managerial personnel.

Mr. Batni is concerned or interested in the proposed resolution to the extent of the remuneration that the office of an independent director may incur.

None of the other Directors or key managerial personnel or relatives of other directors or key managerial personnel is concerned or interested in the proposed resolution.

The Board of Directors recommends the Special Resolution set forth as Item No. 9 of the notice for approval of the shareholders.

Item No. 4 & 10:

Mr. Kishor Patil is the Co-founder, CEO and Managing Director of KPIT Technologies Limited – one of the largest Software Integration partners in the global automotive and Mobility industry. KPIT's vision is to Reimagine Mobility in partnership with the industry, clients, and partners for creating a *cleaner, smarter, and safer world*.

Mr. Patil co-founded KPIT in 1990. In 2018, the Company decided to undergo a comprehensive merger-demerger scheme to create a mobility-focused Company, KPIT Technologies Limited. In the span of 4 years, the Company has crossed a market capitalization of more than USD 3Bn through organic growth and global acquisitions.

Mr. Patil strategized and led the merger demerger process to reincarnate KPIT in its current avatar. Mr. Patil has since then redefined the Company strategy with a new Vision and Mission aimed at gaining global leadership in the areas of operation of the Company. His relentless focus on execution of the redefined strategy has led the Company to quadruple its revenues in the last 4 years with consistent improvement in operational margins, cash conversion and the efficiency of the overall operations of the Company. His acumen in identifying the right partners, either for acquisition or for joint go to market strategies has abetted acceleration of the strategy implementation and achievement of defined milestones as per the strategic objectives.

In 2014, Mr. Patil was honored with the CA Business Leader Award – Corporate award, by the Institute of Chartered Accountants of India (ICAI). The ICAI Awards felicitate chartered accountants who create value for their Company's stakeholders on a sustainable basis. For his excellence in entrepreneurship, he has also been honored with the Maharashtra Corporate Excellence (MAXELL) Awards 2014. In 2013, Mr. Patil was named among the top 16 entrepreneurs in India by Ernst and Young in its Entrepreneur of the Year award program. He was recognized among the Top 50 CEOs of 2013 by The Entrepreneur Magazine and was also awarded the 2013 Rotary Excellence Award. He is a prolific speaker and has presented at various national & international forums including the World Economic Forum, on topics such as entrepreneurship, innovation, building high performance organizations, and business transformation. He has won several national and international awards including the Wall Street Journal Technology Innovation Award, and Knowledge@Wharton Technovation Award. Recently, Mr. Kishor Patil has been awarded the 'Best CEO of the year' award by ET Ascent.

Mr. Patil is a fellow member of the Institute of Chartered Accountants of India, and a member of the Institute of Cost Accountants of India.

In recognition of his qualification, experience, achievements, and stellar contribution to the growth of the Company and on the recommendation of the Nomination & Remuneration (HR) Committee, the Board of Directors has recommended reappointment of Mr. Patil as a CEO & Managing Director of the Company to hold office for a further period of five years with effect from January 16, 2024.

The Company has received a notice in writing under Section 160 of the Act from a member proposing the candidature of Mr. Kishor Patil for the office of Director of the Company. Mr. Kishor Patil is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Brief terms and conditions of reappointment of Mr. Kishor Patil are given below:

The total remuneration payable from the Company includes aggregate of basic salary, allowances, perquisites, other benefits, variable performance incentive, special incentives & increments as per the policy of the Company, as mentioned in points (a), (b), and (c) below, shall be payable to Mr. Kishor Patil with effect from January 16, 2024 for a further period of five years and shall be within the limits approved by special resolution under section 197 of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 passed by the Members in the AGM held on August 25, 2021. The limits approved are, payment of remuneration to executive director of the Company shall not be in excess of 8% of the Net Profit of the Company (computed in a manner laid down in Section 198 of the Act) and payment of remuneration to all Executive Directors of the Company shall not be in excess of 15% of the Net Profit of the Company (computed in a manner laid down in Section 198 of the Act) for each of the financial years from 2021-22 and onwards for a period of five years.

a) He shall be paid a fixed basic salary, perquisites, and allowances of ₹ 400 lacs per annum, from the Company, subject to maximum annual increase up to 15% over the fixed basic salary, perquisites, and allowances for the previous year by the Board of Directors on recommendation of the Nomination & Remuneration (HR) Committee of the Board of Directors, from time to time.

Variable performance incentives, special bonus incentives, other benefits and increments as per the policy of the Company as detailed below in point (b) and (c) shall be excluded from the aforementioned range.

b) Variable incentive, special incentives upto a maximum of 60% of the total remuneration payable, from the Company and any modification thereof, based on the Company performance and individual performance, as may be decided by the Board of Directors on recommendation of the Nomination & Remuneration (HR) Committee of the Board of Directors, from time to time.

c) The following other benefits shall be allowed to the CEO & Managing Director:

   i. Company's contribution to Provident Fund;

   ii. Gratuity as per the policy of the Company in force from time to time;

   iii. Leaves and Encashment of leave as per the rules of the Company in force from time to time;

   iv. Group medical insurance and group personal accident insurance as per the policy of the Company;

   v. The Company provided security staff at residence;

   vi. Company maintained chauffeur driven cars (2 Nos Max), for official and personal use;

   vii. Club fees.

The Headquarters of Mr. Kishor Patil will be in Pune, State of Maharashtra, India. For fulfilling the Company's business needs from time to time, he may be assigned or deputed as a representative, to other locations of the Company, group companies, subsidiaries, associate companies, and any of their branches, present and future, in India or abroad.

Mr. Patil, being promoter Director of the Company, is not entitled to Employees Stock Options under the ESOP Schemes of the Company according to the provisions of Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 and any sitting fee for attending the Meetings of the Board of Directors or Committees thereof, as long as he functions as CEO & Managing Director.

Other details of Mr. Kishor Patil are given in a tabular format (Annexure-A) below, which forms part of this notice.

The agreement will be entered into between the Company and Mr. Kishor Patil and the draft agreement will be available for inspection by the members in the manner provided in the Notes to this Notice.

Mr. Kishor Patil retires by rotation at this AGM in accordance with Section 152 of the Companies Act, 2013 and being eligible, offers himself for the reappointment.

As per the provisions of Section 196 and 197 of the Companies Act, 2013, the appointment of a CEO & Managing Director shall be approved by the Members at a general meeting of the Company.

Mr. Patil is not related to any other Director or Key Managerial Personnel of the Company or the relatives of other Directors or Key Managerial Personnel.

Mr. Patil is concerned or interested in this resolution to the extent of the remuneration payable to him under the authority of the resolution.

None of the other Directors or key managerial personnel or relatives of other directors or key managerial personnel is concerned or interested in the proposed resolution.

The Board of Directors recommends the Ordinary Resolution set forth as Item No. 4 & 10 respectively of the notice for approval of the shareholders.

Item No. 11:

Mr. Sachin Tikekar is the Co-Founder, President & Joint Managing Director of KPIT. He has been with the Company since the beginning and has led and guided the Company in different areas of strategy, scaling client engagements, HR, among others.

Mr. Tikekar has served the Company in several capacities. He has been the Executive Sponsor for Europe. He was the Chief People & Operations Officer with responsibility for imbibing KPIT culture in the organization, accelerating learning opportunities for employees globally and fostering innovation in attracting, nurturing, and retaining talent. He was also the Chief Operating Officer for KPIT in the US. He set the foundation of KPIT's now deeply rooted presence and client partnerships in the Americas. Over the years, he has also spearheaded the successful integration of acquired entities within KPIT.

Mr. Tikekar has played a crucial role in formulating the new vision and Mission for KPIT, after the demerger. He has led the strategy and blueprint of KPIT's focused client and OEM-centric approach that has delivered KPIT's industry-leading growth over the last few years. This has also propelled the KPIT brand and positioning in all stakeholders – Clients, Talent and Investor's. In his current role, he is responsible for growing & nurturing global strategic relationships with clients and partners as an Executive sponsor for all the geographies. He is guiding the blueprint of operations & processes to scale KPIT to the next orbit and also driving the roadmap for KPIT to double down on its vision of becoming a world class Sustainable organization.

Before joining KPIT, Mr. Sachin Tikekar worked with US Sprint and Strategic Positioning Group. He attended Temple University for a master's in strategic management and International Finance. As an ardent food lover, he dubs himself as Anthony Bourdain 2.0! He is a member of the World Wildlife Federation and pursues his fascination for wildlife and nature through traveling.

Mr. Sachin Tikekar will continue to work as Joint Managing Director with Mr. Kishor Patil, CEO & Managing Director, and share responsibilities to drive growth and other corporate initiatives.

In recognition of his qualification, experience, achievements, and stellar contribution to the growth of the Company and on the recommendation of the Nomination & Remuneration (HR) Committee, the Board of Directors has recommended reappointment of Mr. Tikekar as a Joint Managing Director (Whole-time) of the Company to hold office for a further period of five years with effect from January 16, 2024.

The Company has received a notice in writing under Section 160 of the Act from a member proposing the candidature of Mr. Sachin Tikekar for the office of Director of the Company. Mr. Sachin Tikekar is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Brief terms and conditions of appointment of Mr. Sachin Tikekar are given below:

The total remuneration payable from the Company and KPIT Technologies Inc. (wholly owned subsidiary) ("KPIT USA"), includes aggregate of basic salary, allowances, perquisites, other benefits, variable performance incentive, special incentives & increments as per the policy of the Company and KPIT USA, as mentioned in points (a), (b) and (c) below, shall be payable to Mr. Sachin Tikekar with effect from January 16, 2024 for a further period of five years and shall be within the limits approved by special resolution under section 197 of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 passed by the Members in the AGM held on August 25, 2021.

The limits approved are, payment of remuneration to executive director of the Company shall not be in excess of 8% of the Net Profit of the Company (computed in a manner laid down in Section 198 of the Companies Act, 2013) and payment of remuneration to all Executive Directors of the Company shall not be in excess of 15% of the Net Profit of the Company (computed in a manner laid down in Section 198 of the Companies Act, 2013) for each of the financial years from 2021-22 and onwards for a period of five years.

a) He shall be paid a fixed basic salary, perquisites, and allowances of ₹ 355 lacs per annum, from the Company and KPIT USA, subject to maximum annual increase up to 15% over the fixed basic salary, perquisites, and allowances for the previous year by the Board of Directors on recommendation of the Nomination & Remuneration (HR) Committee of the Board of Directors, from time to time.

b) Variable performance incentives, special bonus incentives, other benefits, and increments as per the policy of the Company and KPIT USA as detailed below in point (b) and (c) shall be excluded from the aforementioned range.

Variable incentive, special incentives upto a maximum of 60% of the total remuneration payable, from the Company and KPIT USA, and any modification thereof, based on the Company and individual performance, as may be decided by the Board of Directors on recommendation of the Nomination & Remuneration (HR) Committee of the Board of Directors, from time to time.

c) The following other benefits as per the policy of the Company shall be allowed to the Joint Managing Director:

i. Company's contribution to Provident Fund;

ii. Gratuity as per the policy of the Company in force from time to time;

iii. Leaves and Encashment of leave as per the rules of the Company in force from time to time;

iv. Group medical insurance and group personal accident insurance as per the policy of the Company and KPIT USA in force from time to time;

v. Company provided security staff at residence;

vi. Company maintained chauffeur driven cars (2 Nos Max), for official and personal use;

vii. Club fees.

The Headquarters of Mr. Sachin Tikekar will be in Pune, State of Maharashtra, India. For fulfilling the Company's business needs from time to time, he may be assigned or deputed as a representative, to other locations of the Company, group companies, subsidiaries, associate companies, and any of their branches, present and future, in India or abroad.

Mr. Tikekar, being promoter Director of the Company, is not entitled to Employees Stock Options under the ESOP Schemes of the Company according to the provisions of Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 and any sitting fee for attending the Meetings of the Board of Directors or Committees thereof, as long as he functions as Whole-time Director.

Other details of Mr. Sachin Tikekar are given in a tabular format (Annexure-A) below, which forms part of this notice.

The agreement will be entered into between the Company and Mr. Sachin Tikekar and the draft agreement will be available for inspection by the members in the manner provided in the Notes to this Notice.

As per the provisions of Section 196 and 197 of the Companies Act, 2013, the appointment of a Joint Managing Director (Whole-Time) shall be approved by the Members at a general meeting of the Company.

Mr. Tikekar is not related to any other Director or Key Managerial Personnel of the Company or the relatives of other Directors or Key Managerial Personnel.

Mr. Tikekar is concerned or interested in this resolution to the extent of the remuneration payable to him under the authority of the resolution.

None of the other Directors or key managerial personnel or relatives of other directors or key managerial personnel is concerned or interested in the proposed resolution.

The Board of Directors recommends the Ordinary Resolution set forth as Item No. 11 of the notice for approval of the shareholders.

Item No. 12:

Ms. Jayada Chinmay Pandit is relative of Mr. Chinmay Pandit, Whole-time Director and Mr. S. B. (Ravi) Pandit, Chairman of the Board and thus falls within the definition of relative under the Companies Act, 2013 and her employment with the Company would attract the provisions of Section 188 (1) of the Companies Act, 2013, for which approval of the members of the Company by way of Ordinary Resolution would be required.

The shareholders in their meeting held on August 28, 2019, approved the appointment of Ms. Jayada Pandit on recommendation of the Nomination and Remuneration (HR) Committee, as Manager – Business Unit Marketing with effect from August 28, 2019, at a remuneration up to ₹ 45 Lacs p.a.

On recommendation of the Nomination and Remuneration (HR) Committee, the Board of Directors in their meeting held on July 25, 2023 accorded its approval to Ms. Jayada Pandit to hold office or place of profit in the Company and to fulfil the Company's business needs from time to time, she may be assigned or deputed as a representative, to other locations of the Company, group companies, subsidiaries, associate companies, and any of their branches, present and future, in India or abroad, as Sr. Manager - Marketing with effect from August 29, 2023 at a remuneration up to ₹ 60 Lacs per annum inclusive of salary, allowances, perquisites, benefits, amenities, but exclusive of variable performance incentives per annum, special bonus incentive per annum and increment as per the policy of the Company as applicable to the other employees in her grade with effect from August 29, 2023, being relative of Mr. Chinmay Pandit, Whole-time Director & Mr. S. B. (Ravi) Pandit, Chairman of the Board.

Ms. Jayada Pandit joined KPIT in 2004 and has worked in India as well as USA locations, in various capacities including, managing clients within Automotive and manufacturing line of businesses, Strategic Initiatives, Business Development, and the current role within marketing & branding, in her now 18 years of association with the Company.

Overall, Ms. Jayada Pandit holds an experience of 20+ years across industries, domains, and geographies. She has held crucial roles at ITU (International Telecommunication Union), Geneva, Switzerland and Thomson Multimedia, Paris, France, before joining her then family business of battery manufacturing equipment, Shingania Batteries in Pune, India. The Company has developed unique technology and holds battery technology patents as well with her involvement.

Ms. Jayada Pandit completed her Bachelor of Engineering from Pune university with high distinction and masters with top honors, in 'Electronics and Entrepreneurial Management' from ENST (Ecole Nationale Superieure de Telecommunication), an Ivy League university in France.

Ms. Jayada Pandit passion-projects have been a testimony to her heartfelt commitment to social causes. Forbes magazine recently acknowledged KPIT's innovation in solutioning the low-cost versatile KPIT ventilator that was developed as a contribution to help humanity fight the COVID-19 pandemic. Ms. Jayada has been a core team member and leader who drove the ventilator project. Her passion for Diversity and Inclusion specially focused on encouraging numbers in STEM as well as Women in technology, led to her initiating the Women in Mobility initiative at KPIT. The initiative brings together leaders from the mobility field across the globe to voice changes needed on an individual level, Company level and society level, to achieve the elusive balance of diversity & inclusion within the world of mobility. She is also the founder of UrPursuit, a social cause curated nine years back, to create part-time job opportunities as well as to mentor talented women within diverse fields enabling achieving work-life balance.

Ms. Pandit future charter for the US includes elevating brand KPIT in the US geography, within the eco-system of key clients, top tech talent as well as overall within the mobility industry. While KPIT has been present in the USA for couple of decades, our now increasing focus on top clients in this geography of fastest growth, demands the capacity to leverage a combined ability of thought leadership and experience, to be able to elevate the brand globally and even more within Americas.

Due to increased responsibilities in her role, it is now proposed to designate her as Sr. Manager - Marketing on the remuneration exceeding the limit specified under section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014.

The information as required in accordance with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 is as under:

- Name of the related party: Ms. Jayada Pandit.
- Name of the Director or KMP who is related: Mr. Chinmay Pandit & Mr. S. B. (Ravi) Pandit.
- Nature of relationship: Spouse of Mr. Chinmay Pandit and daughter- in- law of Mr. S. B. (Ravi) Pandit.
- Period: 5 Years from August 29, 2023, to August 28, 2028.
- Nature, material terms, monetary value and particulars of the contract or arrangement: Ms. Jayada Pandit is proposed to be designated as Sr. Manager - Marketing on remuneration and terms and conditions stated in the Resolution as below:
    - at a remuneration up to ₹ 60 Lacs per annum inclusive of salary, allowances, perquisites, benefits, amenities, but exclusive of variable performance incentives per annum, special bonus incentive per annum and increment as per the policy of the Company as applicable to the other employees in her grade with effect from August 29, 2023 and the Board of Directors may alter and vary the said terms and conditions of the appointment subject to the limit on the remuneration stated above in such manner as may be agreed to between the Board of Directors and Ms. Jayada Pandit.
    - Variable incentive, special incentives upto a maximum of 40% of the total remuneration payable, and any modification thereof, based on the Company performance and individual performance, as may be decided by the Board of Directors on recommendation of the Nomination & Remuneration (HR) Committee of the Board of Directors, from time to time.
    - The Headquarters of Ms. Jayada Pandit will be in Pune, State of Maharashtra, India. For fulfilling the Company's business needs from time to time, she may be assigned or deputed as a representative, to other locations of the Company, group companies, subsidiaries, associate companies, and any of their branches, present and future, in India or abroad.
- Any other information relevant or important for the members to take a decision on the proposed Resolution: Please refer to her qualification and experience as mentioned aforesaid under this item of business.

None of the Directors and Key Managerial Personnel of the Company, including their relatives, are concerned or interested in the resolution in any way, except Mr. S. B. (Ravi) Pandit & Mr. Chinmay Pandit.

The original resolution passed by the shareholders in their meeting held on August 28, 2019, will be superseded by this resolution once passed by the shareholders at ensuing AGM.

The Board of Directors recommends the Ordinary Resolution set forth as Item No. 12 of the notice for approval of the shareholders.

Annexure A

Other details of Directors seeking appointment/reappointment in the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings]

Name of the Director	Mr. Kishor Patil	Mr. Sachin Tikekar	Mr. BVR Subbu	Mr. Srinath Batni	Prof. Alberto Luigi Sangiovanni Vincentelli	Mr. Anant Talaulicar
Date of Birth/Age	January 17, 1962/ 61 years	April 03, 1968 / 55 years	February 14, 1954/ 69 years	November 14, 1954/ 68 years	June 23, 1947/ 76 years	July 11, 1961/ 62 years
Date of First Appointment	January 16, 2019	January 16, 2019	January 16, 2019	July 25, 2023	January 16, 2019	January 16, 2019
Qualification	Chartered Accountant & Cost Accountant - Institute of Chartered Accountants of India & Institute of Cost Accountants of India	Masters in strategic management and international finance from Temple University	Masters in economics from Jawaharlal Nehru University and a post-graduate diploma from the Indian Institute of Foreign Trade.	Masters in mechanical engineering from Indian Institute of Science, Bangalore	Master of Science degree in engineering at the Polytechnic University of Milan. He is a Buttner Chair at the Department of Electrical Engineering & Computer Sciences, University of California, Berkeley.	B.E. Mechanical from Mysore University, India. M.E. Mechanical from the University of Michigan, USA & Master's in Business Administration from Tulane University, Louisiana, USA.
Experience	39 Years	29 Years	46 Years	45 Years	52 Years	37 Years
Shareholding in the Company	1,33,45,605 shares	7,41,150 shares	Nil	Nil	Nil	Nil
Shareholding in the Company of the spouse and immediate relatives of the Director	Anupama Patil- 1,16,330 shares Manasi Patil- 3,334 shares Ameya Mehandale- 300 Shares	Nil	Nil	Nil	Nil	Nil
No. of Board meetings attended during the Financial Year 2022-23	7 out of 7	7 out of 7	7 out of 7	Not Applicable	6 out of 7	7 out of 7
Chairman/Member of the Committee of the Board of Directors of the Company	Member of Stakeholders Relationship Committee	Member of Stakeholders Relationship Committee	1. Member of Audit Committee 2. Chairman of Stakeholders Relationship Committee 3. Member of Enterprise Risk Management Committee	Not Applicable	Member of Nomination & Remuneration (HR) Committee	1. Member of Audit Committee 2. Chairman of Nomination & Remuneration (HR) Committee 3. Member of Enterprise Risk Management Committee 4. Chairman of Corporate Social Responsibility Committee

List of other Directorships held	1. Kirtane Pandit Foundation Private Limited 2. K and P Management Services Private Limited 3. Sentient Labs Private Limited 4. Hypower Mobility Private Limited 5. PathPartner Technology Private Limited 6. KPIT Technologies (UK) Limited 7. KPIT Technologies GmbH 8. KPIT Technologies Netherlands B.V. 9. KPIT Technologias Ltda 10. KPIT Technologies Inc. 11. KPIT Technologies Holding Inc. 12. KPIT (Shanghai) Software Technology Co., Ltd. 13. KPIT Technologies GK 14. ThaiGerTec Co., Limited	1. Hypower Mobility Private Limited 2. KPIT Technologies Netherlands B.V. 3. KPIT Technologias Ltda 4. KPIT Technologies Inc. 5. KPIT Technologies Holding Inc. 6. KPIT (Shanghai) Software Technology Co., Ltd. 7. KPIT Technologies GK 8. ThaiGerTec Co., Limited	1. Sona BLW Precision Forgings Limited 2. MTAR Technologies Limited 3. Altius Leo Automotive Private Limited 4. Octogence Technologies Private Limited 5. Eurofinance Training Private Limited 6. Altius Trucks Sales & Service Private Limited 7. Beyond Visual Range Consulting Private Limited 8. Eurofinance Training and Publishing Private Limited 9. NMC Automotive Infrastructure Private Limited 10. Octogence Digital Systems Private Limited 11. Ola Electric Mobility Private Limited	1. Cigniti Technologies Limited 2. Axilor Ventures Private Limited	Nil	1. The Hi-Tech Gears Limited 2. India Nippon Electricals Limited 3. Endurance Technologies Limited 4. Everest Industries Limited 5. Ethan Natural Bio-Fuel Private Limited 6. Jakson Green Private Limited 7. Pinnacle Industries Limited 8. Jakson Engineers Limited 9. Jakson Limited 10. Everest Foundation 11. KPIT Technologies (UK) Limited
Chairman/Member of the Committee of Directors of other Public Limited Companies in which he/she is a director	Nil	Nil	1. Sona BLW Precision Forgings Limited - Chairman of Audit Committee - Member of Nomination & Remuneration Committee 2. MTAR Technologies Limited - Chairman of Risk Management Committee - Member of Nomination & Remuneration Committee - Member of Audit Committee	1. Cigniti Technologies Limited - Member of Audit Committee - Chairman of Nomination & Remuneration Committee	Nil	1. Everest Industries Limited - Member of Audit Committee - Member of Nomination & Remuneration Committee - Member of Risk Management Committee 2. India Nippon Electricals Limited - Member of Audit Committee - Chairman of Risk Management Committee 3. Pinnacle Industries Limited - Chairman of Audit Committee - Member of Nomination & Remuneration (HR) Committee
Relationship with other Directors or Key Managerial Personnel of the Company	Nil	Nil	Nil	Nil	Nil	Nil
Details of last drawn remuneration	Given in the Corporate Governance report of this Annual report.	Given in the Corporate Governance report of this Annual report.	Given in the Corporate Governance report of this Annual report.	Not Applicable	Given in the Corporate Governance report of this Annual report.	Given in the Corporate Governance report of this Annual report.

GENERAL INSTRUCTIONS FOR ACCESSING AND PARTICIPATING IN THE ANNUAL GENERAL MEETING (AGM) THROUGH VIDEO CONFERENCE/ OTHER AUDIO-VISUAL MEANS (VC/ OAVM) FACILITY AND VOTING THROUGH ELECTRONIC MEANS

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), Secretarial Standard-2 on General Meetings issued by ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and read with MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has appointed National Securities Depository Limited (NSDL) for facilitating voting through electronic means. The facility of casting votes by a member using remote e-Voting system as well as voting on the day of the AGM will be provided by NSDL. The Members who have cast their vote by remote e-voting prior to AGM may also attend the AGM but shall not be entitled to cast their vote again. Resolution(s) passed by Members through e-Voting is/ are deemed to have been passed as if they have been passed at the AGM.

2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on a first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration (HR) Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

4. In line with the Circulars issued by Ministry of Corporate Affairs (MCA), the Notice calling the AGM has been uploaded on the website of the Company at www.kpit.com. The Notice can also be accessed from the 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 the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e., www.evoting.nsdl.com.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING AGM ARE AS UNDER: -

The remote e-voting period begins on **Thursday, August 24, 2023, (09:00 a.m. IST) and ends on Monday, August 28, 2023 (5:00 p.m. IST)** both days inclusive. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e., **Tuesday, August 22, 2023,** may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Tuesday, August 22, 2023**.

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: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under '**IDeAS**' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "**Access to e-Voting**" under e-Voting services and you will be able to see the e-Voting page. Click on Company name or **e-Voting service provider i.e., NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "**Register Online for IDeAS Portal**" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "**Login**" which is available under '**Shareholder/Member**' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or **e-Voting service provider i.e., NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. 
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the Company. By clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.

Type of shareholders	Login Method
	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see the e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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.nsdl.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. Password details for shareholders other than Individual shareholders 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 shareholders 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.nsdl.com.

   b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.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 etc.

   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.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. **For joining virtual meeting, you need to click on "VC/ OAVM" link placed under "Join Meeting"**.

3. Now you are ready for e-Voting as the Voting page opens.

4. 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.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. The Board has appointed Mr. Jayavant Bhave, Proprietor J.B. Bhave & Co., Practicing Company Secretaries (Membership No- F4266), as scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.

2. The Chairman will, at the end of discussion on resolutions on which voting is to be held, allow e-Voting for all these members who are present at AGM and who have not cast their votes by availing the remote e-Voting facility.

3. 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 out or not, and such report shall be sent to the Chairman or person authorized by him, within two working days (not exceeding 3 days) from the conclusion of the AGM, who shall then countersign and declare the result of voting forthwith.

4. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to jbbhave@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

5. Only bonafide shareholders of the Company whose names appear on the register of shareholders, will be permitted to attend the meeting through VC/OAVM. The Company reserves its right to take all necessary steps as may be deemed necessary to restrict non-shareholders from attending the meeting.

6. Shareholders whose names appear in the Register of Shareholders/ list of Beneficial Owners as on **Tuesday, August 22, 2023, being the cut-off date,** are entitled to vote on the Resolutions set forth in this Notice.

7. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e., **Tuesday, August 22, 2023,** may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/ RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.comor call on 022 - 4886 7000 and 022 - 2499 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the **cut-off date i.e., Tuesday, August 22, 2023**, may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

8. In case of Holders attending the AGM, only such Joint Holder who is named first in the order of names will be entitled to vote. A person who is not a shareholder as on the cutoff date should treat this Notice for information purposes only. Once the vote on a Resolution(s) is cast by the shareholders, the shareholder shall not be allowed to change it subsequently.

9. 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.

10. In case of any queries/grievances pertaining to remote e-Voting (before/during the AGM), 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 at 022 - 4886 7000 and 022 - 2499 7000 or send a request to at evoting@nsdl.co.in or contact Mr. Amit Vishal or Ms. Pallavi Mhatre from NSDL at evoting@nsdl.co.in.

Process for those shareholders whose email 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 mode, please provide Folio No., Name of shareholder, 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 email to evoting@nsdl.co.in.

2. In case shares are held in demat mode, 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. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e., Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING DURING AGM ARE AS UNDER: -

1. The procedure for e-Voting during AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and

have not casted 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 details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "**VC/OAVM**" placed under "**Join meeting**" menu against Company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the 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 in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further, Members will be required to allow Camera and use the Internet at a good speed to avoid any disturbance during the meeting.

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 Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by following steps mentioned in the Notice of the AGM under "Step 1: Access to NSDL e-voting system" as mentioned above, between **Thursday, August 24, 2023, (09:00 a.m. IST) and ends on Sunday, August 27, 2023 (05:00 p.m. IST)**. After successful login, members will be able to register themselves as a speaker Shareholder by clicking on the link available against the EVEN of the Company.

KPIT Technologies Limited

CIN: L74999PN2018PLC174192

Registered & Corporate Office: Plot No. 17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Taluka - Mulshi, Hinjawadi, Pune – 411057, India.

Phone: +91 20 6770 6000 | E-mail: grievances@kpit.com | Website: www.kpit.com.

Dear Shareholder,

A) Green Initiative in Corporate Governance - Shareholders' Consent to receive communication in Electronic Form:

The MCA vide Section 20 of the Companies Act, 2013 and Rule 35 of the Companies (Incorporation) Rules, 2014, allow companies to serve documents through electronic mode thus encouraging the green initiative. We propose to send communications and documents like Annual Reports, Notices etc. through electronic mode, to all shareholders. In order to facilitate electronic communication with you, we request you to register your e-mail address with your depository participant (the agency with whom your demat account is maintained) or with our Registrar and Share Transfer Agent, **KFin Technologies Limited** ('RTA') at: einward.ris@kfintech.com. Alternatively, you may register your e-mail address with the Company by writing an email to grievances@kpit.com with the subject line - 'Green Initiative'. **If you have already registered your e-mail address, you are not required to re-register the same unless there is a change in your e-mail address.**

We believe that by subscribing to this green initiative, you would be contributing towards the protection of the environment. We request your concurrence so as to enable us to e-mail all communications and documents like Annual Reports, Notices, etc. to you.

B) Tax deducted at source ("TDS") on dividend:

Please be informed that, in terms of the provisions of the Income-tax Act, 1961, ("the Act") as amended by the Finance Act, 2020, Dividend paid or distributed by every Company on or after April 01, 2020, shall be taxable in the hands of the shareholders. Every Company is required to deduct tax at source ("TDS") on Dividend to be paid to shareholders at the prescribed rate. Therefore, if a dividend is declared, same will be paid after deducting TDS. The Shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source. The Shareholders can submit their declarations directly to RTA. The relevant forms are available on website of RTA at https://mfs.kfintech.com/mfs/quicklinks.html and website of the Company at www.kpit.com

In the event of tax on dividend is deducted at a higher rate in the absence of receipt of the details/ documents, shareholders would still have the option of claiming refund of the excess tax paid at the time of filing income tax return. No claim shall lie against the Company for such taxes deducted.

C) Furnishing of PAN, KYC Details, Bank account details and Nomination by holders of physical securities of the Company:

The Securities and Exchange Board of India has vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 read with BSE Circular No. LIST/ COMP/15/2018-19 dated July 5, 2018 read with NSE Circular No. NSE/CML/2018/26 dated July 09, 2018 mandated the holders of physical securities to furnish the self-attested copy of PAN (also linked with Aadhar number), email address, mobile number, bank account details, updation of Specimen signature and nomination and advise them to dematerialize their physical securities as it is mandatory to carry out the transfer of securities in dematerialized form only. The Company has also communicated on January 18, 2022 , April 21, 2022, July 29, 2022 (through Annual Report), December 20, 2022 and May 23, 2023 to its shareholders who are holding shares physically to furnish their PAN, KYC details and Nomination as per directives in the above-mentioned SEBI Circular. The necessary forms in this connection can be downloaded from the website of RTA at www.kfintech.com & of the Company at www.kpit.com.

Further, please be informed that, folios wherein any one of the said document/details are not available on or after October 01, 2023, shall be frozen and said folio holder will not be eligible to lodge grievance or avail service request from the RTA and not eligible for receipt of dividend in physical mode. After December 31, 2025, the frozen folios shall be referred by RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and /or Prevention of Money Laundering Act, 2002.

D) Furnishing of PAN, Bank account details to the RTA/ Company for registration/updation:

Those shareholders whose folio(s) do not have complete details relating to their PAN and Bank Account or where there is any change in the bank account details provided earlier, have to compulsorily furnish the details to the RTA/Company for registration/updation. Please do the needful at the earliest by following the below mentioned procedure.

Kindly fill in the details as mentioned in the attached form and forward the same along with all the supporting documents based on requirements considering the below mentioned points to RTA.

ACTION REQUIRED FROM SHAREHOLDER

You are requested to submit the following to update the records immediately.

A. For updating PAN of the registered shareholder and/or joint shareholder(s):

- Self- attested legible copy of PAN card (exempted for Shareholders from Sikkim)

B. For updating Bank Account details of the registered shareholder:

1. In cases wherein the original cancelled cheque leaf has the shareholder's name printed
   - For address proof: Self-attested legible copy of Aadhar/passport/utility bill (not older than 3 months)
   - Original cancelled cheque leaf containing the Bank A/c No., Bank Name, Type of Account, IFSC Code, MICR Code and the name of the shareholder printed on the cheque leaf OR

2. In cases wherein the cancelled cheque leaf does NOT contain the shareholder's name printed on it
   - For address proof: Self-attested legible copy of Aadhar/passport/utility bill (not older than 3 months)
   - Original cancelled cheque leaf containing the details, Bank A/c No., Bank Name, Type of Account, IFSC Code, MICR Code.

Legible copy of the Bank passbook/Bank statement specifying the details of the registered shareholder such as the name, address, bank account number etc. duly attested by the officer of the same Bank with his signature, name, employee code, designation, bank seal & address stamp, phone no. and date of attestation.

In case you have any queries or need any assistance, please contact **KFin Technologies Limited** at: einward.ris@kfintech.com (in case of physical holding) or to the depositories (in case of dematerialized holding).

Thanking you,
For **KPIT Technologies Limited**

Nida Deshpande
Company Secretary

Format for furnishing the PAN and Bank Details

To,
KFin Technologies Limited
Selenium Tower B, Plot no. 31 & 32,
Financial District Nanakramguda,
Serilingampally Mandal, Hyderabad – 500032.
Phone: +91 40 6716 2222

Dear Sir,

I/We furnish below our folio details along with PAN and Bank mandate details for updation and confirmation of doing needful. I/we are enclosing the self-attested copies of PAN cards of all the holders, original cancelled cheque leaf of first holder, Bank Passbook and address proof viz., Aadhar card as required for updation of details:

Folio No.	
Address of the 1st named Shareholder	
Mobile No.	
E-Mail ID	

Bank Account Details: (for electronic credit of unpaid dividends and all future dividends)

Name of the Bank			
Name of the Branch			
Account Number (as appearing in the cheque book)			
Account Type (Savings/ Current/ Cash Credit)	Savings	Current	Cash Credit
9 Digit MICR Number (as appearing on the MICR cheque issued by the Bank)			
11 Digit IFSC Code			

	PAN	Name
First Holder:		
Joint Holder 1:		
Joint Holder 2:		

Signature: ....

Date: ....

Place: ....

Note: The above details will not be updated if the supporting documents are not attached and not duly self-attested.

Board of Directors

S. B. (Ravi) Pandit
Chairman of the Board

Kishor Patil
CEO & Managing Director

Sachin Tikekar
President & Joint Managing Director

Anup Sable
Whole-time Director

Chinmay Pandit
Whole-time Director
(w.e.f. July 26, 2022)

Anant Talaulicar
Independent Director

B V R Subbu
Independent Director

Prof. Alberto Sangiovanni Vincentelli
Independent Director

Dr. Nickhil Jakatdar
Independent Director

Bhavna Doshi
Independent Director

Prof. Rajiv Lal
Independent Director

Srinath Batni
Additional & Independent Director (w.e.f. July 25, 2023)

Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Auditors
B S R & Co. LLP
Chartered Accountants,
8th Floor, Business Plaza,
Westin Hotel Campus,
36/3-B, Koregaon Park Annex,
Mundhwa Road, Pune - 411001.

Legal Advisors
Khaitan & Co.
One Indiabulls Centre,
10th & 13th Floor, Tower 1,
841 Senapati Bapat Marg,
Mumbai – 400 013.
India.

Financial Institutions
- HDFC Bank Limited
- The Hongkong & Shanghai Banking Corporation Limited
- Citibank N.A.
- Axis Bank Limited
- Kotak Mahindra Bank Limited
- ICICI Bank Limited
- The IDBI Bank Limited
- DBS Bank Limited

Corporate Leadership Team

S. B. (Ravi) Pandit	-	Chairman of the Board
Kishor Patil	-	CEO & Managing Director
Sachin Tikekar	-	President & Joint Managing Director
Anup Sable	-	CTO & Whole time Director
Chinmay Pandit	-	Geo Head US & Whole time Director
Priyamvada Hardikar	-	Chief Financial Officer
Pankaj Sathe	-	President Europe
Rajesh Janwadkar	-	President (Global Head, Delivery and Operation)
Pushpahas Joshi	-	Executive Vice President-Connected Solutions & Services

Notes

KPIT Technologies Limited

Corporate Office

Plot No. 17, Rajiv Gandhi Infotech Park, MIDC-SEZ,
Phase- III, Maan, Taluka-Mulshi, Hinjawadi, Pune- 411057.

+91-20-6770 6000

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