KPIT

July 29, 2022

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:- 5th Annual Report of KPIT Technologies Limited for FY 2021-22

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 5th Annual Report of KPIT Technologies Limited for FY 2021-22 for the 5th Annual General Meeting to be held on Wednesday, August 24, 2022.

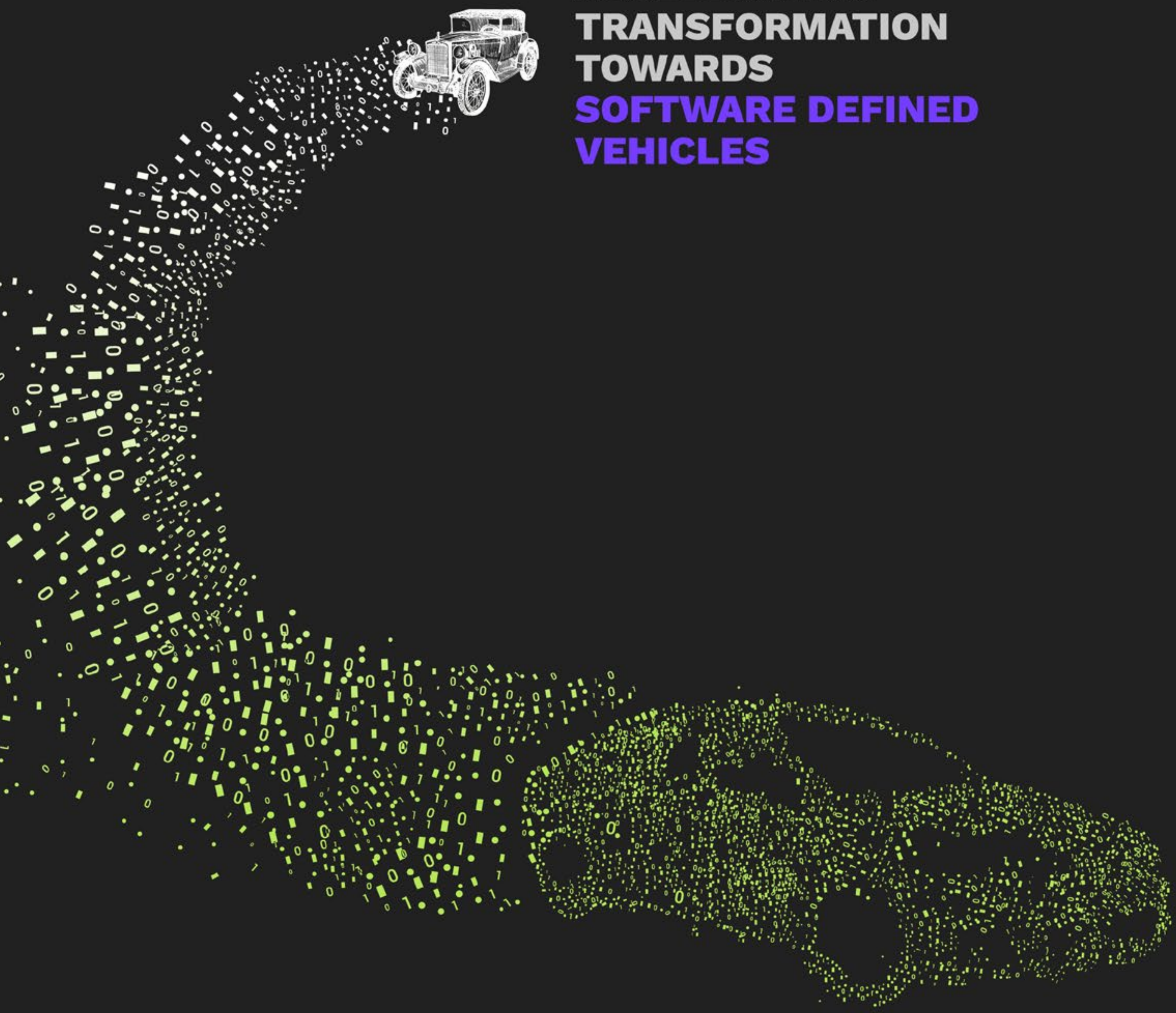
Kindly take the same on your records and acknowledge receipt thereof.

Thanking you,

Yours faithfully,

For **KPIT Technologies Limited**

Nida Deshpande
Company Secretary & Compliance Officer



ACCELERATING TRANSFORMATION TOWARDS SOFTWARE DEFINED VEHICLES

Annual Report 2021-22

CONTENT

Corporate Overview

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Financial Statements

To attend 5th Annual General Meeting via video conferencing and to e-vote, Members are requested to follow the instructions provided in the Notice.

Cut-off date: Wednesday, August 17, 2022

Remote e-Voting Period:

1. Friday, August 19, 2022 at 1.00 p.m. to Tuesday, August 23, 2022 at 5.00 p.m.
2. During the AGM ("insta poll")

Read this Annual Report online

www.kpit.com

5th Annual General Meeting

Wednesday, August 24, 2022

10.30 AM IST

Video conferencing and e-voting

https://emeetings.kfintech.com

FY 2022 HIGHLIGHTS

Financial

$ 328.3 MN
Revenue
▲ 19.5%

₹ 2762.4 MN
Profit after tax (PAT)
▲ 87.8%

₹ 4385.4 MN
EBITDA
▲ 41.4%

Environmental

50,865
Saplings

80%
Overall sapling survival rate

47%
Of overall energy consumption generated from solar energy for Pune Phase-3 campus

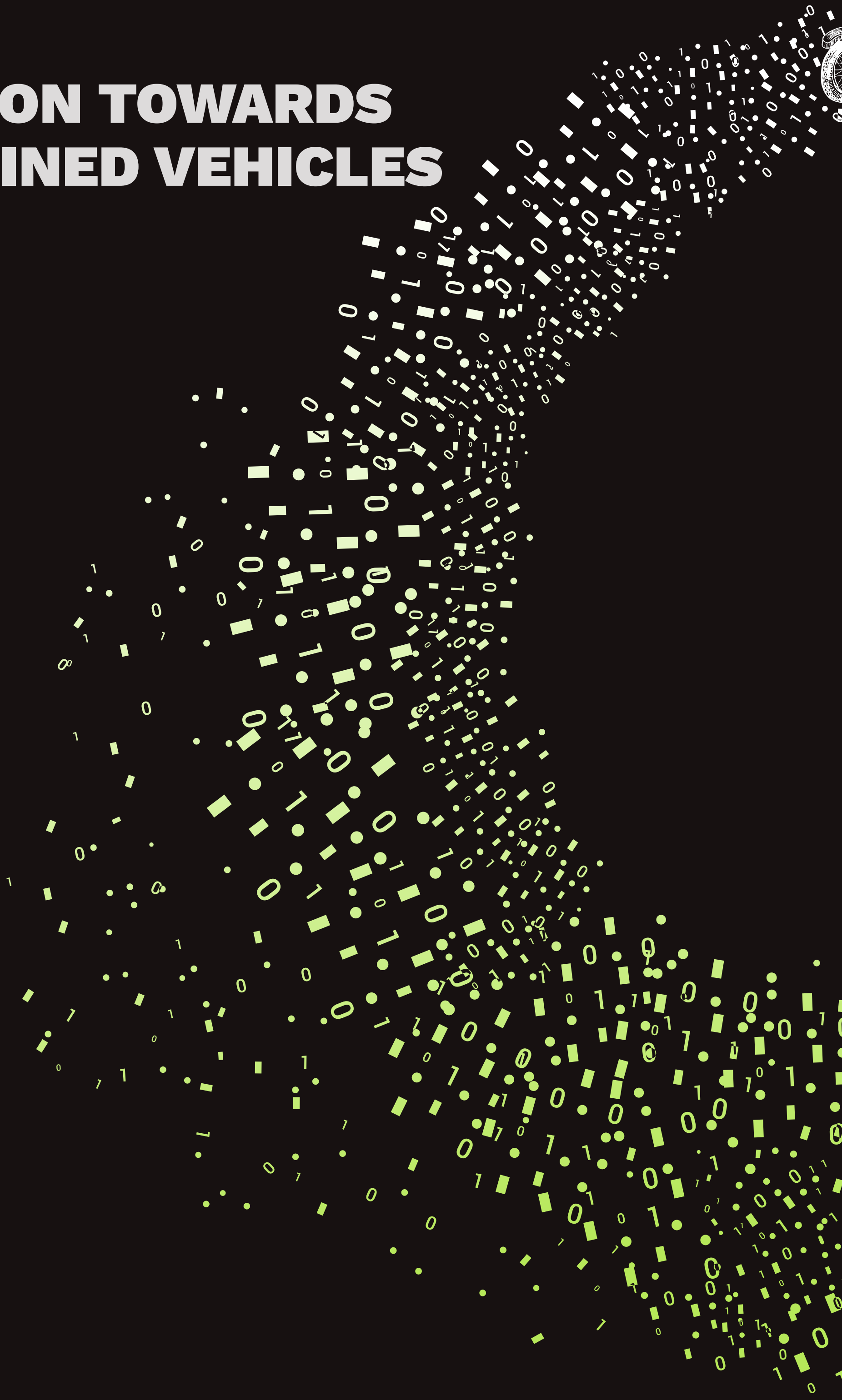
Social

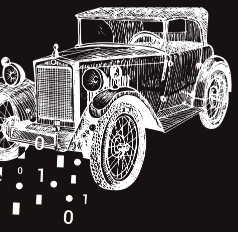
5,184
Actions of giving

89,246
People benefited

2,494
Employees participated

ACCELERATING TRANSFORMATION TOWARDS SOFTWARE-DEFINED VEHICLES

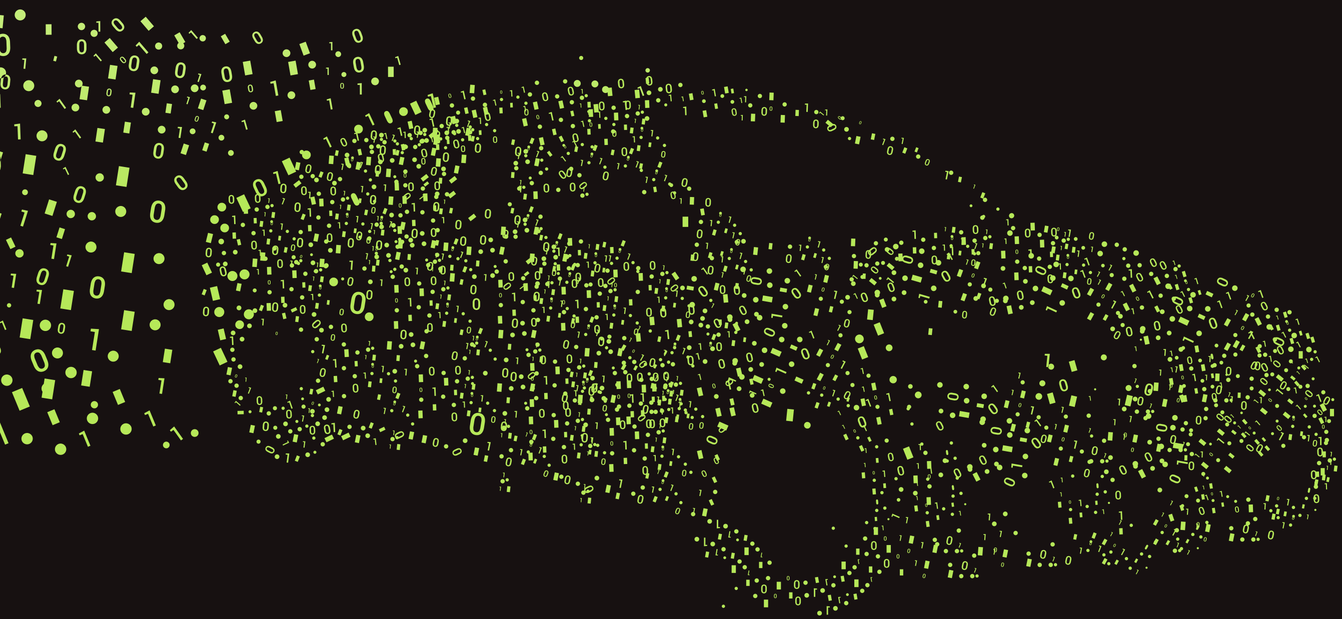




The automotive and mobility industry is going through a transformation. Electronics in the form of ECUs, sensors, and advanced chipsets work with millions of lines of code and are defining the differentiating features for vehicles of the future. They are enabling newer business models and disruptive technology across CASE (Connected, Autonomous, Shared, Electric) domains. At the heart of this transformation is ‘Software’. Vehicle manufacturers and suppliers are investing heavily to develop the SDVs of tomorrow. However, as the role of software and data grows, so does its complexity, thus making it necessary for the automotive industry to build deep software competence.

Over the last two decades, KPIT has been helping the automotive and mobility ecosystem to bring these features into reality via unleashing the power of software (technology). As the industry stands at a cusp of a critical transformation, KPIT is ready to collaborate and bring expertise and scale in areas of Feature Development & Integration, Architecture Consulting & Middleware, and Cloud-based Connected Services.

The theme and cover of the KPIT annual report for FY 2022, brings out the essence of how KPIT is Accelerating Transformation towards Software-Defined Vehicles. The software or code (represented by binaries of 0s and 1s) and the dots and dashes signify the transformation of the vehicle from being a hardware-defined physical product to a software-defined digital product.



WHO WE ARE

KPIT 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 over 7,000 automobelievers across the globe specialising in embedded software, artificial intelligence and digital solutions, KPIT accelerates clients' implementation of next-generation technologies for the future mobility roadmap. With engineering centres in Europe, the USA, Japan, China, Thailand and India, KPIT works with leaders in automotive and mobility and is present where the ecosystem is transforming.

VISION

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

KEY NUMBERS

8000+
Automobelievers

7
Engineering centres

500+
Production programme experience

25+
Innovation awards

51
Patents

25+
OEMs/Tier 1s strategic partners

25
Different nationalities

10+MN
Vehicles with KPIT software

75+
Platforms, Tools and Accelerators

MAJOR TECHNOLOGY HUBS AROUND THE GLOBE

SERVICES AND SOLUTIONS

KPIT is a leading software integrator covering prototype development, actual software development, validation and testing. With the changing structure of the mobility industry and the transformation towards software-defined vehicles, KPIT stands in a unique position to meet the needs of OEMs and Tier 1 players due to the Company's 20+ years of deep domain expertise and software competence. It is the Company's mission to know software better than any automotive company in the world and to know automotive better than any software company in the world.

As an independent software partner, KPIT is structured to be perfectly aligned to meet the demands of the mobility ecosystem in the years to come.
Our services are categorised into Feature Development & Integration, Architecture Consulting & Middleware, and Cloud-based connected services.

In feature development & integration, KPIT provides scalable solutions for Electric and Conventional powertrains, Autonomous Driving (AD) and Advanced Driver Assistance Systems (ADAS), Vehicle Engineering and Design. The Company's expertise and experience in architecture and middleware development and consulting is renowned and expected to be a key driver of revenue and growth. In addition, KPIT has a complete suite of cloud-based solutions that cater to enhancing Intelligent Cockpits, Connected Vehicles, Cloud and Analytics, and Diagnostics.

KPIT's comprehensive and agile offerings provide value to its strategic clients and partners, making it a leader in the Mobility ecosystem.

Autonomous Driving and ADAS

Electrification

Body Electronics

eCockpit and Connectivity

Cloud and Virtualization

New-age Vehicle Engineering and Design

Predictive Diagnostics

Common Middleware for new E/E Architecture

THE TEAM DRIVING KPIT AHEAD

Board of Directors

S.B. (Ravi) Pandit
Co-Founder, Chairman of the Board

Kishor Patil
Co-founder, CEO & Managing Director

Sachin Tikekar
Co-founder, President & Joint Managing Director

Anup Sable
CTO & 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

Board of Advisors

Dr. Bob Joyce

Gerard Devito

Mahesh Jadhav

Dr. Masaru Igarashi

Nancy Gioia

Dr. Kay Segler

Elmar Frickenstein

LETTER FROM CHAIRMAN'S DESK

Dear Fellow KPITians,

It is my pleasure to pen this annual letter to you. In this letter, I would like to talk about our journey so far, the road that we see ahead of us and sustainability, a key driver for our work.

You would recollect that in the year 2018, we took a major strategic decision to be a company focussed on automotive-embedded software rather than being a general software company i.e inch-wide mile-deep rather than mile–wide inch–deep.

We committed 'to know automotive better than any other software company in the world and to know software better than any automotive company'. Since then, we have seen the automotive and mobility industry undergoing a once-in-a-century transformation toward Software-Defined Vehicles (SDV). This is in line with the goal of the industry to achieve global sustainability. We have contributed to this transformation.

Let me now turn to the current status and the way forward.

Performance of the year gone by

The Company turned in a stellar performance in FY 2022, with over 19.5% growth in the top line and 28% volume growth. The total revenues from operations were ₹ 24,323.86 million (~ $ 328 million) and EBITDA stood at ₹ 4,385.45 million (~ $ 59 million) with a growth of 41.4% over last year. The year ended with a net PAT of ₹ 2,762.43 million (~ $ 37 million, 87% Y-O-Y growth) and saw continued focus on cash conversion with 13 consecutive quarters of net cash increase.
In line with our T-25 client strategy, we ensured deepened focus and strategic relationships - the last year saw more than 80% of the revenues come from these T-25 clients.

As you would recollect, when we restructured our company we had annualized revenues of $ 280+ million, EBITDA Margins of 12.8%, and a staff strength of 6,600+. In the last quarter of FY 2022, our annualized revenues were $ 348+ million and EBITDA margins were 18.6%. The actual volume of work done is reflected in our staff strength which grew from 6,614 to 8,245 in the last quarter. We can certainly say that we have - amongst the largest team of embedded software engineers in the world. We work with the top

25 automotive OEMs and Tier Is in the world. Today there are over 10 million vehicles around the world which use our software.

We are satisfied that our strategy is yielding results for our clients, our employees and all of you, our shareholders.

Living in uncertain times

The world is at the cusp of a major change. All Industries, including the automotive and mobility industry, are undergoing a major transformation. Climate change, accentuated by globalisation challenges and global conflicts, is driving this transformation.

As a leader operating in the automotive and mobility software space, we think we can contribute to addressing some of these challenges through the technology solutions that help the automotive industry move towards a cleaner, smarter and safer future.

As a company, we are hoping to provide a beacon of hope, in our own small way, in these times of darkening skies.

Transformation of the automobile and mobility industry

Automobiles now are 'Software on Wheels'. Electronics in the form of ECUs, sensors and advanced chipsets work with millions of lines of code and play a differentiating role in the automotive industry. They enable newer business models and disrupt technology across CASE (Connected, Autonomous, Shared, Electric) domains.

Vehicle manufacturers and suppliers are investing heavily to develop the SDVs of tomorrow. With the rising confluence of technology and automobiles, the vehicle software market is predicted to reach $ 35 billion (growing at a CAGR of 9%) by 2025. Software applications, operating systems and middleware are growing at an even faster rate, at a CAGR of 11%. Overall, the vehicle software market is expected to nearly double by 2030, fuelled by the digital push among top OEMs and a dramatic increase in their investments.

However, as the role of software and data grows, so does its complexity, thus making it necessary for the automotive industry to build deep software competence. OEMs and suppliers are facing the challenges to strengthen their software capability and incorporate the needs of SDVs in product development, organisational structure, personnel structure and operating system. The automotive and mobility industry is transforming itself and we endeavour to help this transformation.

In this regard, over the last two decades, KPIT has focussed and invested in the areas of software development, integration and validation to build expertise and global scale. This is the essence of our vision - 'Reimagining mobility with you for the creation of a cleaner, smarter, and safer world'. This vision, along with mission statements and the initiative of Culture of Excellence, drives the Company's strategy and operating guidelines.

In line with our mission statement, we are focussed on driving the following four initiatives.

- Leader in Platforms and Practices
- Zero Defect Delivery – First time right
- Best Place to Grow for our employees
- Focus on T25 Clients

You will read more about them in the pages to follow.

Sustainability

Much before sustainability became a global thrust and a legal compliance requirement, we at KPIT have been strongly committed to it. To us, sustainability includes financial sustainability of the company (you have read about it earlier in this letter), environmental sustainability and social sustainability to improve the lives of people.

I would like to share with you the actions that we have taken in this regard so far. Our actions can be broadly put into the following three categories-

1. The work we do and the solutions we offer
2. The way we work and carry out our operations
3. The way we engage with society through our Corporate Social Responsibility initiatives, in every market that we operate in.

Let me now turn to each one of them.

1. The work we do and the solutions we offer:

We work with our clients in areas of electrification, autonomous driving, connected vehicles, software standardization, and vehicle engineering and design. Almost 40% of our revenues are from programmes and software for the next-gen electric vehicles and from increasing the efficiencies of conventional drivetrains. This truly contributes to environmental sustainability. Through the solutions in the areas of autonomous driving software, connectivity technologies and predictive diagnostics, we are supporting the creation of safer and more efficient vehicles. Our esteemed Board Members and the team of advisors are experts in the industry guiding us to deliver quality, innovative and sustainable solutions.

We keep investing in new technologies that will strengthen our offerings. We invest regularly in our research and development. We also invest in acquisitions to strengthen our knowledge portfolio. Through our work on green hydrogen generation, sodium-ion batteries, hydrogen fuel cells and more efficient powertrains, we are strengthening the efforts toward green transportation.

2. The way we work and carry out our operations:

We strive to contribute towards sustainable operations and minimise the impact on the environment through our global offices. I am describing some of the key initiatives in this regard – we have converted an open car park of over 8000 sq mts into solar-powered parking capable to generate up to 662 Kwp energy, saving up to 47% of annual energy requirements for the Pune campus.

During the year, we shifted from a conventional desktop technology to Virtual Desktop Interface (VDI), which resulted in an over 60% reduction in energy consumption. 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 ~3,00,000 units per year, amounting to 375 MT of CO2 emission. Further, during the year, we covered around 4 acres of land as a green belt with a plantation of 1,333 native trees, shrubs, and flowering plants.

3. The way we engage with society through our Corporate Social Responsibility initiatives:

KPIT has a strong social commitment to every community that it lives in. We fulfil this commitment both by employee participation and by financial contribution. Our conviction is that we can build a truly sustainable society by teaching scientific and environmentally friendly approaches to students across the educational chain.

We undertake multiple initiatives in the education sector to transform lives through science and technology education. ‘Chhote Scientists’ (Young Scientists) is one such initiative we undertake to kindle the love for science among school-going children. Through easy-to-make and fun-to-learn scientific toys, we taught 27,431 children in 430 schools across Maharashtra, Jharkhand, Karnataka, Assam and Nagaland, during the year.

We intend to take this number to 100,000 students over the next three years. We believe that through this initiative, we can build a society which thinks rationally and sensitively about the world around us.

The eighth edition executed this year of KPIT Sparkle, one of India’s biggest innovation platforms for Engineering, Science, and Design students received more than 1,300 ideas from over 15,000 students across more than 800 colleges in India. We have helped incubate many start-ups that are focussed on greener and safer energy and transportation.

Further, the KPIT Shodh Awards – to recognise and celebrate, high-quality and original research work displayed in PhD thesis – attracted participation from 55 outstanding young PhD researchers. The researchers submitted 30 theses for the ‘Best Thesis Award’ in the categories of Energy Storage, Energy Generation, Fuel Cell and ADAS for Automotive Applications.

KPIT collaborated with Wildlife Research & Conservation Society (WRCS), 14 Trees Foundation (14TF) and Ecological Society, Pune for building sustainable, carbon-footprint-neutral ecosystems through reforestation. Over the past few years, we have planted over 49,500 plants with an over 80% success rate. This has helped the environment as well as created employment for locals.

Looking to the future, our goal is to deliver sustainable performance to ensure long-term growth and profitability while ensuring global sustainability. To achieve this, the focus and commitment of all KPITians is imperative. This is our promise and we are confident that results will follow.

We look to all our stakeholders for their continued support and I remain extremely excited about our journey going forward.

Sincerely yours,

S.B. (Ravi) Pandit

LETTER FROM THE CEO & MD AND PRESIDENT & JOINT MD

Dear Stakeholders,

We would like to extend our best wishes to you and your loved ones as we close out a year full of exciting business opportunities coupled with tough times induced by the pandemic and move towards building a better world together.

The global Mobility Industry continues to undergo a transformational change. Changes in consumer preferences, hyper-connected devices, the proliferation of data, climate changes, and increased awareness about road safety are pushing the vehicles of the future to be cleaner, smarter, and safer.

Vehicle makers across passenger to commercial vehicles are investing in CASE (Connected, Autonomous, Shared and Electric) technologies to deliver and cater to the demands of the end consumers and policymakers. As a result of the advent of these technologies, vehicles have transformed from being largely mechanical bodies to highly digitised, intelligent, software-based machines. Software-Defined Vehicles (SDVs) are gradually becoming the primary driver of the emerging future of mobility.

Consequently, the core capabilities of OEMs, Tier 1 players and Mobility providers are rapidly shifting from mechanical hardware to electronic hardware and software, with the industry value chain also changing from one-off hardware sales to software sales and service premiums, followed by regular updates.

Towards Reimagining Mobility

Our Vision of 'Reimagining Mobility with you for the creation of a cleaner, smarter, and safer world' perfectly aligns with the paradigm shift in mobility. It allows us to think afresh, whether it is building solutions, delivering globally, or learning and applying emerging technologies, while developing solutions that enable a cleaner, smarter and safer way of transporting people and goods.

KPIT has emerged as an independent software integrator and as a valuable partner for OEMs and Tier 1 players. The Company has striven relentlessly and continues to work to provide defect-free software, reduce time-to-market and share its 20+ years of software integration experience.

We are a software integrator to the Mobility industry accelerating our clients' implementation of next-generation technologies. Our expertise in high-entry barriers such as L3-L5 autonomous driving, electrification, intelligent cockpit, common middleware for new E/E architecture, cloud and connected technologies, new age engineering design, and a strong talent pool allows us to play a key role in helping the adoption of CASE trends among OEMs and Tier 1 players.

We have charted a clear roadmap, with four missions to reach our goal - 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.

We are confident that these Missions, supported by Culture of Excellence, will allow us to successfully realise our Vision.

1. Achieve leadership in Platforms and Practices

Through our core offerings, and corresponding revenue and investments, we strive to be leaders in practices and platforms. To serve our clients better, we have categorised our solutions into three groups –Feature Development and Integration (Electrification, Autonomous Driving and ADAS, Body Electronics and Vehicle Engineering and Design), Architecture and Middleware Consulting (Middleware, AUTOSAR), and Cloud-based Connected Services (Intelligent Cockpit, Digital Connected Solutions, and Vehicle Diagnostics).

We will continue to invest significant time, resources and efforts into furthering our understanding of the mobility domain and help our clients rapidly and seamlessly transition to a central-compute architecture. To strengthen our capabilities in areas of software integration, and semiconductor technologies we acquired PathPartner Technology this year. We signed an agreement to acquire Future Mobility Solution GmbH (FMS) to build and augment our expertise in AD/ADAS.

The shift towards new vehicle architectures, powering the SDVs of the future will require multiple skills and infrastructure to manage the complexity and petabytes of data. We believe a collaborative approach among experts in software development and integration, tools and infrastructure, and cloud providers is needed. In this regard, we look at the right partnerships and alliances for each of the practice areas with some of the leading players in the ecosystem.

2. Deliver Zero Defects (ZDD)

Under the mission of 'Zero Defect,' we aspire to create a culture of defect-free delivery across the Company. The key components of this are First time right mindset, Robust processes, Efficiency and Effectiveness, and Automation. The ZDD framework was introduced 3 years ago and we have made steady progress to delivery without defects in our projects. We have identified key result areas to measure our progress towards zero defect delivery which we are tracking on a regular basis across the organisation and projects – i. Consistent and reliable for complex work (defect-free and on time); ii. Customer experience of excellence measured through CSAT score; and iii. Consistent productivity improvement. In FY 2022, the average CSAT score improved to 4.40 from 4.35 in the last fiscal.

The culture implemented across KPIT is evidenced by the multiple awards we have won which reflect our drive toward achieving excellence – the NASSCOM Service Delivery Award the Company won in multiple categories, and Safety Certification for KSAR Classic and the 'Transformation Initiative in Treasury Management Award' that recognises leaders in all aspects of Financial, Treasury, Risk & Compliance Management.

3. Be the Best Place to Grow

In addition to our expertise and partnerships, KPIT recognises that to be at the forefront of the transformation underway in the mobility ecosystem, it is imperative to attract and retain talent and encourage relevant competency development. And a passionate, driven and knowledgeable team of automobelievers forms our backbone in this endeavour.

KPIT has formed partnerships with leading universities across the globe to help give our people the best chance to succeed in their careers. Our partnership with Coventry University involves launching a workplace Master of Technology programme in automotive software engineering. This year, we opened a new technology centre in Novi, Michigan and expanded the technology centre in China.

To ensure competency development, we launched the Education and Competency Development (eCoDe) modules for which our employees can apply online. These are self-learning online modules that cover a variety of technical subjects to ensure that our people are able to learn and grow.

We launched a 360-degree feedback system with specific methods to help with career planning and competency development for our leadership and front-ending teams. This initiative is being rolled out in a phased manner across the organisation.

KPIT Sparkle, one of India's biggest innovation platforms for Engineering and Science has been running successfully for the past eight years. In 2022, this initiative has once again acted as a great medium to nurture talent and skills at the college level. Through this platform over 100,000 students have participated across 1000+ science and engineering colleges across India.

4. Nurture Strategic Relationships with T25 Clients

At KPIT, we have established and are committed to strategic relationships with our clients. We will continue to focus on a handful of clients and build a long-lasting strategic relationship with them. We do this by keeping a single goal in mind- always keep their best interest at heart and help them be successful in their business and technology roadmaps.

To achieve the above we have adopted an approach of following 5Cs – being Client Focussed, Competent in our respective domains, Collaborative across functions, having a Consultative problem-solving mindset, and being Commercial savvy.

We are confident that, the outcome of this approach will be consistent profitable growth.

The engagements with our strategic clients involve engagements across domains including platforms, tools, accelerators, and annuity programmes. This year, we celebrated some of our long-term relationships with clients e.g. With one of the leading CV OEM we celebrated the completion of 10 years of successful engagement. We celebrated 15 years of a mutually rewarding relationship with a global luxury car OEM. With a leading Tier -1 we celebrated a 20-year long-term relationship. These milestones act to reinforce our belief in the strength of forming long-term strategic relationships and help our clients in achieving their end goals.

The year gone by

FY 2022 has been an eventful year with its own set of opportunities and challenges. The first three quarters of the year were affected by the pandemic, but KPIT's inherent resilience and preparation over the last two years enabled it to continue making stellar profits and creating value for its stakeholders.

Safety and well-being of employees: The safety and well-being of our employees continue to be of the greatest importance to us. Although we are cautiously optimistic about having moved from a 'pandemic' to 'endemic', we are aware of the need to maintain safety protocols to avoid further flare-ups of COVID-19. We proactively undertook vaccination drives for our people and their families and formed local teams to assist our people in dealing with the crisis.

Upholding client commitments: Our clients are no exception to the impact of the pandemic and other geopolitical pressures. Therefore, it has been our goal to uphold all our client commitments and initiate and enlarge engagements with our strategic clients. This relentless focus on our strategic clients continues to yield great results, with their share contributing beyond 90% of total revenue for this year.

Delivering Profitable Growth: Although FY 2022 has been a challenging year, our resilience and judiciousness bode well for us – and we marked the year with a successful performance. **We sincerely thank all our employees across the globe for the hard work, determination, and commitment they have shown throughout the year. We are appreciative of the trust shown in us by our clients.**

We have seen seven sequential quarters of healthy growth and steady margin expansion. Since our reincarnation as the new KPIT, we have been constantly focusing on cash conversion and building steady cash reserves to make the balance sheet stronger. We had a Net Cash of just ₹ 0.90 billion at the end of the first quarter post demerger. We ended FY 2022 with a Net Cash of ₹ 10.38 billion with zero debt, delivering 12 consecutive quarters of increase in Net Cash.

The year ahead

The elevated interest from clients in the areas of CASE, architectural changes, and SDVs is due to market trends and the acknowledgment of the potential value emanating from the transformation the industry is undergoing. All of this points to robust demand over the next five-plus years. As a result of this, we are positive about continuing the growth momentum in FY 2023 and well beyond.

We will continue to strengthen the strategic relationship and zero-defect delivery to our existing T25 clients.

As the Mobility ecosystem evolves, there are companies emerging who have the potential to disrupt the ecosystem through newer technologies and business models. These include New-age OEMs, EV/AD mobility platform companies, Big tech & cloud hyperscalers, and semiconductor companies.
Some of these companies will be part of our future T25 and become a meaningful part of our business. Over the last couple of years, we have assessed and invested in developing an initial relationship with them, some of which are already showing tremendous potential. This year we will double down the effort with these clients.

The realisation of software-defined vehicles requires collaboration and alliances within the Mobility ecosystem. We have defined a clear strategy to partner and alliance with leaders in the ecosystem across the complete value chain from Semiconductor (Chip), Tools/Infrastructure and Cloud, to enable our clients in their journey from prototyping to production of vehicles.

To meet the rising demand, we will have a sharper focus on competency development, talent attraction, and retention in addition to investing in the right technologies and partnerships to maximise value for our clients. We are confident that our prudence will ensure our Company remains a leading player in the transformation of the Mobility industry.

Against this backdrop, we expect to deliver constant currency growth of 18%-21% in FY 2023 with EBITDA margins between 18%-19%, while volume growth is expected to be ~25%.

We value the trust and support from all the stakeholders and are committed to delivering consistent performance over the coming years.

Best Regards,

Kishor Patil

CEO & Managing Director

Sachin Tikekar

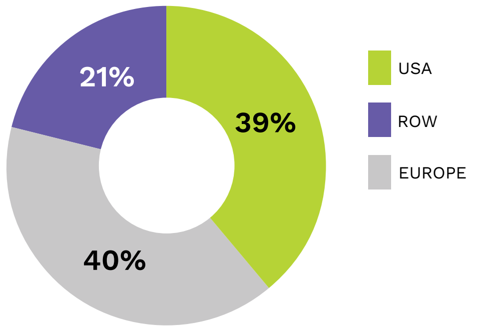
President & Joint Managing Director

KEY PERFORMANCE INDICATORS

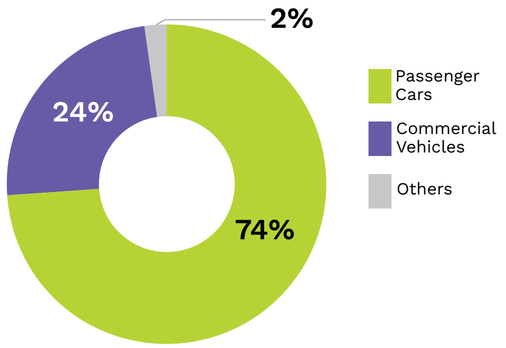
(INR Million)

CONSOLIDATED INCOME STATEMENT	FY 2022	FY 2021
Sales ($ million)	328.4	274.8
Total income	24,772.0	20,515.0
Total expenses	21,326.5	18,738.8
Profit/(loss) before tax	3,445.4	1,776.2
CONSOLIDATED BALANCE SHEET		
Share Capital	2,700.2	2,690.4
Other Equity	10,395.5	9,378.0
Total Shareholder Funds	13,095.7	12,068.4
Non-Controlling Interest	155.5	28.7
Non-Current Liabilities	3,033.7	2,301.6
Current Liabilities	7,076.6	5,276.7
Total Equity & Liabilities	23,361.5	19,675.4
Fixed Assets	2,230.6	2,371.0
Right of use assets	2,503.3	2,505.1
Goodwill on Consolidation	1,678.7	1,013.8
Other Non-current Assets	1,807.3	828.6
Current Investment	30.1	59.5
Trade Receivables	3,714.5	3,083.5
Cash and cash equivalents	9,973.5	8,210.1
Other Current Assets	1,423.5	1,604.0
Total Assets	23,361.5	19,675.4
KEY RATIOS		
Long Term Debt to Equity	0.0%	0.0%
Total Debt to Equity	0.0%	0.0%
Cash/Total Assets	42.7%	41.7%

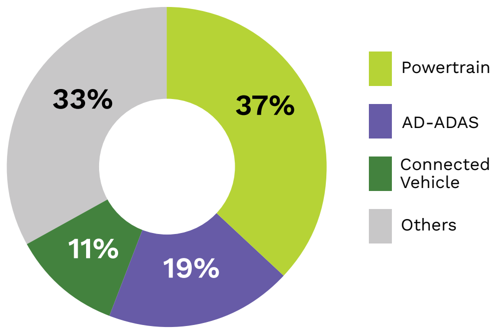
Revenue by Geography



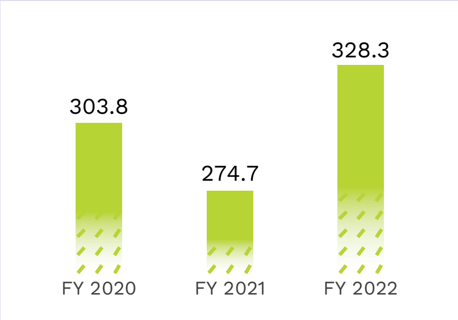
Revenue by Verticals



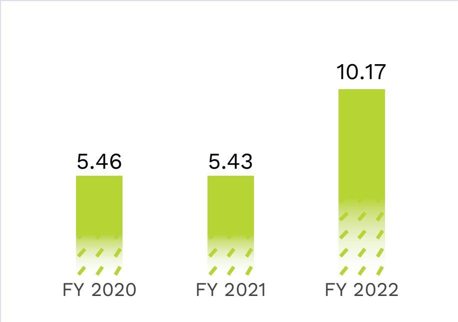
Revenue by Practices



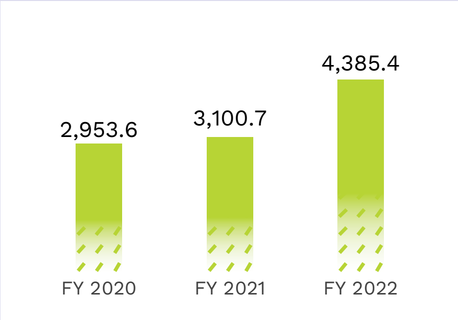
Revenue ($ Mn)



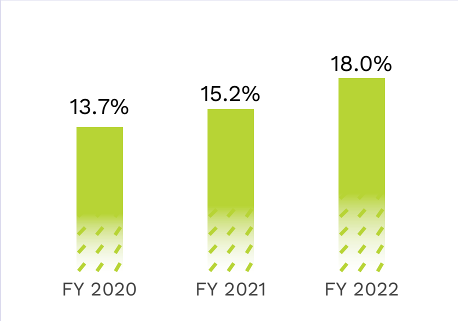
Earnings per share (EPS)



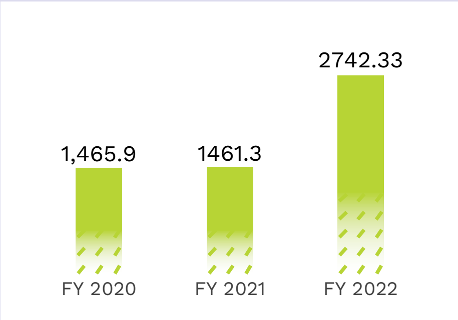
EBITDA (₹ Mn)



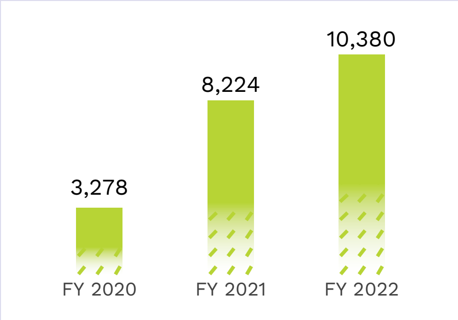
EBIDTA %



Profit After Tax (₹ Mn)



Net Cash Balance (₹ Mn)



HIGHLIGHTS OF THE YEAR

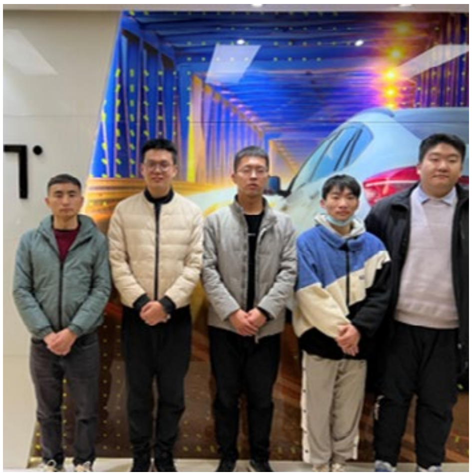
KPIT's highlights of FY 2022 are numerous and vast in its range and have therefore been categorised into activities and initiatives under Accelerating Transformation Towards SDVs, Building The Best Place to Grow, Contributing Perspectives to Global Publications, Awards and Recognitions and Being a Socially Reponsible Corporate Citizen.

Accelerating Transformation Towards SDVs

KPIT has continuously strived to create and enhance partnerships with clients and industry bodies, thereby contributing to accelerating transformation towards SDVs.

Building The Best Place to Grow

At KPIT, attracting, retaining, and developing talent is paramount to sustaining the Company's leadership role and the goal of ensuring that employees are provided the best possible chance to grow. To achieve this goal, the Company has supported various initiatives and activities including partnering with institutions such as Coventry University, driving vaccination campaigns across regions, and expanding technology centres etc. The Company also supports women and the crucial role they play within the organisation and the industry.



Contributing Perspectives to Global Publications

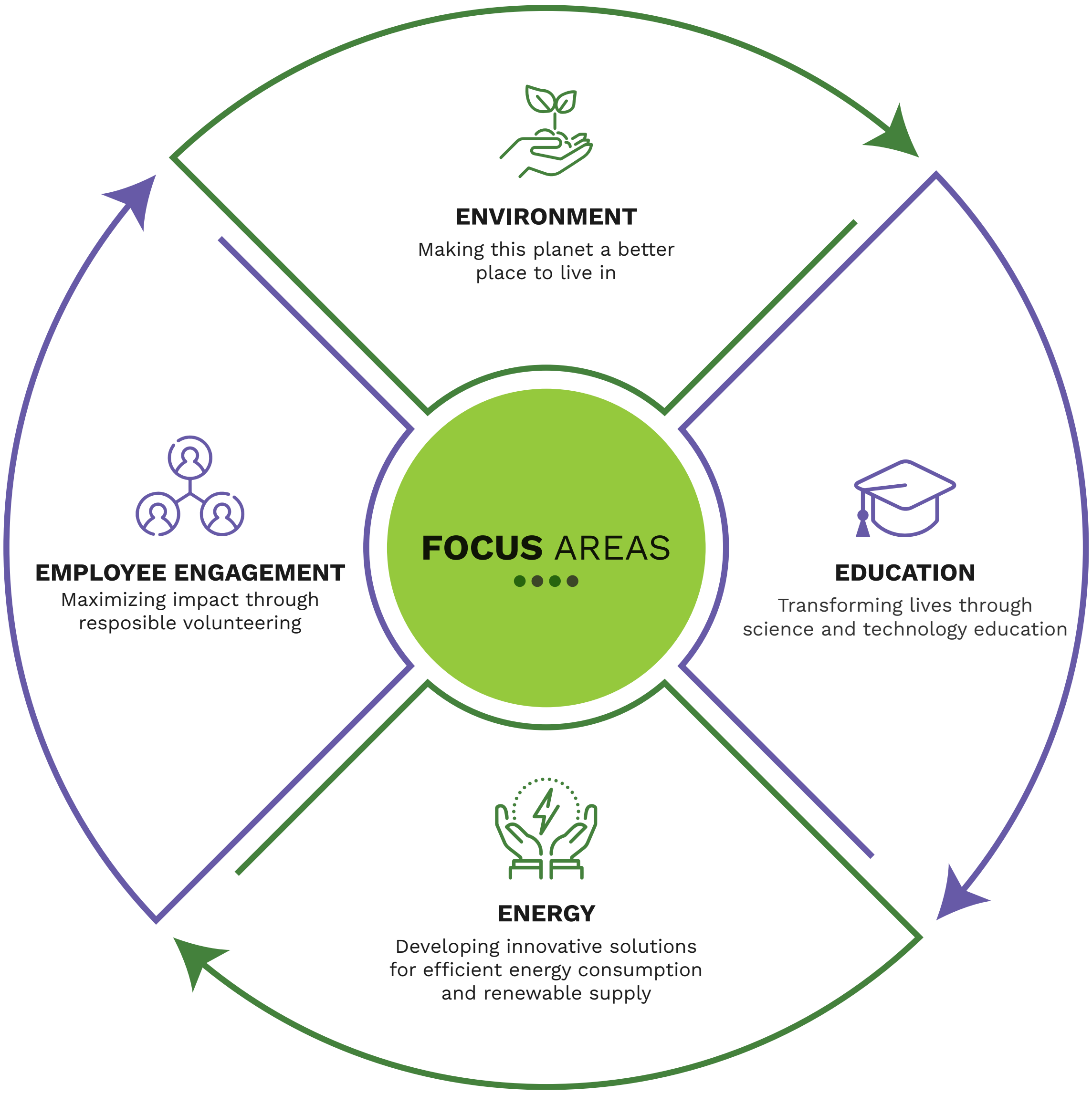
KPIT was featured in multiple publications, analyst reports, and podcasts throughout the year, like the Economic Times Auto-India, Die Welt newspaper of Germany, Autology Podcast – IHS, and EETimes India, to name a few. KPIT was featured as an industry leader in various analyst reports by the likes of NASSCOM India, EVEREST Group PEAK Matrix Assessment, Economic Times, EETimes, and Goldman Sachs equity research report.

Awards and Recognitions

KPIT has won multiple awards, acquired safety certifications and been recognised in various categories in FY 2022 including by Frost & Sullivan, Service Delivery Excellence, Treasury Management etc.

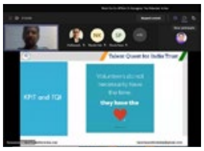
Being a Socially Responsible Corporate Citizen

KPIT's CSR and sustainability initiatives are aligned with the Company's vision and mission. With four focus areas that are driven through employee engagement and financial contributions, KPITians are a testament to the goal of achieving a cleaner, safer and smarter world.

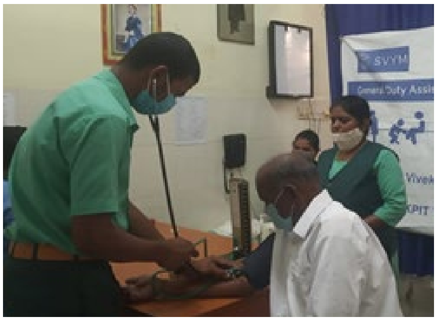


CSR Guiding Principles

- Contribute with energies and efforts of the people and not just via financial contributions
- Leverage KPIT's core strength of technology expertise
- Collaborate with like-minded entities to achieve community goals
- Focus efforts on a few initiatives for maximum impact
- Not limited by cultural and physical boundaries to benefit wider society




KPIT
ज्ञान प्रबोधिनी
ग्रामविकसन विभाग
पाणीटंचाई निवारण कार्यक्रम



POWERING SOFTWARE-DEFINED VEHICLES (SDVs) GLOBALLY

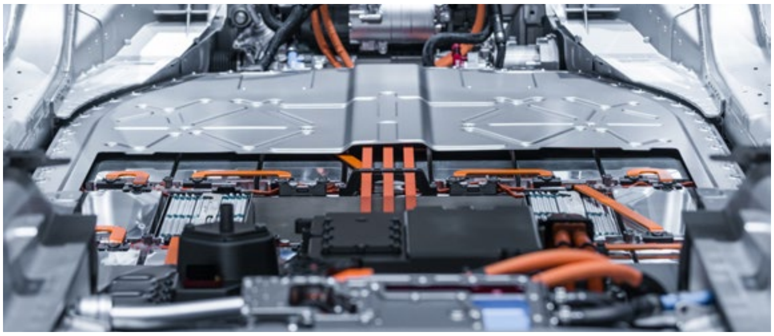
KPIT is helping the Mobility ecosystem adopt CASE technologies and transition towards the future SDVs. KPIT is a scalable, dependable global partner to marquee vehicle makers across passenger and commercial vehicle OEMs and the supplier ecosystem across the vehicle domains. Some select examples and glimpses of how KPIT is powering the SDVs globally are:

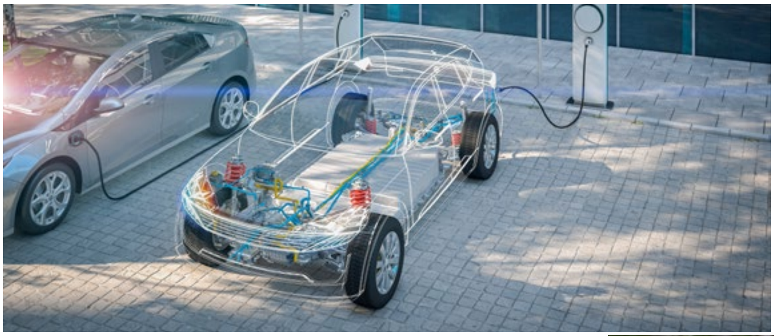
Teams located across three countries developed key solutions for Level 3 & 4 autonomous vehicles including fully automated parking for a global OEM

The Autonomous Driving team was instrumental in the development of a Level 3 ADAS vehicle enabling Japanese OEM to launch its first Level 3 ADAS vehicle.

More than 5 million vehicles of leading global car OEMs use KPIT In-Vehicle Infotainment (KIVI) as their infotainment middleware

Developing test automation tools to increase productivity and quality for an Electric Vehicle programme for a German OEM



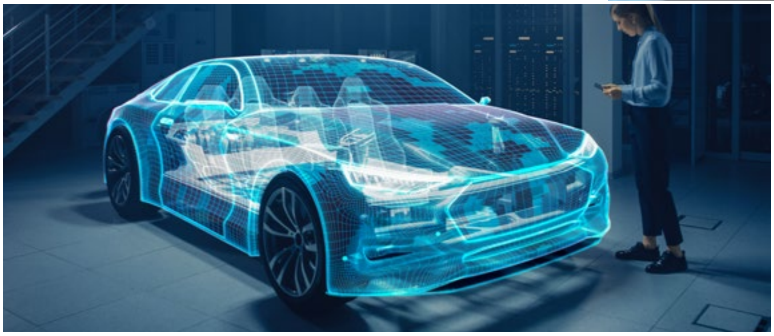


Strategic Partnership with US Tier-1 to develop next-generation electric mobility Technologies

Global Vehicle manufacturers depend on KPIT to validate and test their Autonomous vehicles for billions of miles virtually to ensure that they are road worthy

KPIT is a Software and engineering partner to global CV OEM. A decade strong relationship across continents and for multiple product lines.

KPIT is a Software Development and Integration Partner for Charger Control Unit for a German OEM. A reduction of over 50% in TCO for the OEM is projected over the engagement period.



SDV architecture for an OEM- Developing the architecture for next-gen SDV for an OEM. Responsibilities spread across infotainment, linux, HPCs, OTA update solution integration, CI/CD and cloud.

BOARD'S REPORT

Dear Members,

The Directors are pleased to present the Fifth Annual Report together with the Audited Accounts of the Company for the Financial Year ended March 31, 2022.

Performance of the Company

(In million)

Particulars	Standalone 2021-22		Consolidated 2021-22	
	USD	₹	USD	₹
Revenue from operations	159.42	11,809.88	328.35	24,323.86
Profit before Tax (PBT)	37.33	2,765.72	46.51	3,445.44
Profit after Tax (PAT)	32.14	2,381.20	37.29	2,762.43

Result of Operations

During the year under review, the total revenues from operations (consolidated) increased to ₹ 24,323.86 million (previous year ₹ 20,357.41 million), a growth of over 19.5% of the previous year. Earnings before interest, tax, depreciation and amortization was ₹ 4,385.45 million on consolidated basis with growth of 41.4% over previous year. Net profit after tax (consolidated) increased by 87.79% to ₹ 2,762.43 million (previous year ₹ 1,471.03 million).

In US Dollar terms, revenues from operations for the year on consolidated basis was $ 328.35 million as against $ 274.77 million during the previous year, a growth of 19.5%. Average realization rate was ₹ 74.08 per US Dollar.

Standalone sales for the financial year 2021-22 grew by 47.10% to reach ₹ 11,809.88 (previous year ₹ 8,028.48 million). Net profit after tax increased by 154.60% to ₹ 2,381.20 (previous year ₹ 935.26 million).

Dividend

During the year, the Board of Directors of the Company declared and paid Interim Dividend of ₹ 1.25/- per equity share of face value of ₹ 10/- each (at 12.50%). The Directors are also pleased to recommend a final dividend of ₹ 1.85/- per equity share of face value of ₹ 10/- each (at 18.50%) on the paid-up equity share capital of the Company for the year under review. The total payout for the final dividend will amount to ₹ 849.84 million including dividend distribution tax.

The Company had amended its Dividend Distribution Policy by increasing the Annual Dividend Payout Ratio up to 35% in 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

From Clients

- KPIT won the **'Indirect Souring Partner'** Supplier of the year award from one of its long-standing Tier-1 client.
- A European OEM in the premium car segment recognized KPIT as a '**Software Integration Partner for AUTOSAR'.**
- Leading Commercial Vehicle OEM recognized KPIT as a **trusted 'Partner for Autonomous Simulation Technology'** in its journey towards Autonomous Driving.

From Partners and Industry Forums

- KPIT won the **'Service Delivery Excellence of the Year 2021'** Award by NASSCOM for two marquee engagements with leaders in Mobility in the areas of Electrification and Autonomous Driving.
  - KPIT demonstrated service delivery excellence as a **software technology partner to an Automotive OEM for Autonomous Driving.** This engagement powered OEM to launch the world's first Level 3 autonomous vehicle. Scale, multiple SW components, partnerships powered this delivery that will extend up to 2030 on multiple vehicle programs.
  - KPIT demonstrated service delivery excellence as a **Software Tier-1 for the Charging Control Unit (CCU) program of a leading German OEM.** In an exclusive arrangement the OEM, Tier-1 & KPIT have a triparty arrangement to deliver software variants for 11 carlines through a unique menu-based software delivery on-demand model, resulting in significant software re-use & cost benefits.
- Frost & Sullivan selected **KPIT** for the prestigious **2021 Global Over-the-air (OTA) and Cloud Platform Technology Innovation Leadership Award.**

- KPIT won the **'Transformation Initiative in Treasury Management'** Award in the 4th edition of the Financial Leadership Awards organized by Kamikaze B2B Media.
- KPIT is recognized as a **Leader in the Everest Group PEAK Matrix Assessment for Autonomous, Connected, Electric, and Shared (ACES) Mobility Automotive Engineering Services 2021.**
- **KPIT achieved re-certification of Automotive SPICE Organizational Process Maturity Level 5 for its Pune and Bengaluru campuses.**
- KSAR Classic – KPIT's flagship AUTOSAR stack achieved ASIL-D Safety Certification.
- KPIT won the 1st prize for **Workplace Excellence** under the category of '**Sustainability**' at the 6th edition of Workplace Excellence Awards by iNFRHA, Pune Chapter.

Quality, Productivity and Innovation

Delivering Zero Defects is one of our key strategies to achieve our Mission of becoming a leading software integration partner in mobility. To achieve this objective of ensuring zero defect delivery to our customers, 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. We took up key initiatives for the 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 across all projects through rigorous tracking and support. Initiatives that were deployed during the previous year were sustained through strong governance.

Katapult framework that was developed and deployed for code quality improvement, was enhanced to include test quality performance and deployed across all the projects. This has resulted in significant benefits to customer in terms of achieving product quality on a continuous basis.

Competency and Knowledge Management initiative, that was deployed across all projects during previous year was enhanced with a complete automated integrated system. The system will aid with a heatmap on skill gaps at project, practice, individual level and provides a mechanism to plan skill gap ramp down and track competency improvement. Migration to new system is in progress across all projects. This helps in improving competency at individual level, project level and practice level, thereby resulting better quality output to our customers.

To improve on quantitative management, the measurement system was enhanced with refinement to 'First Time Right' and 'Zero Defect Delivery' KPIs for better insight. Tools were enhanced to address this change and deployment is in progress across all projects. The focus is on achieving First Time Right mindset, which in turn will result in improving Zero Defect Delivery to our Customers. Project Management and Program Management trainings have been enhanced to drive this mindset.

For productivity improvement, tools and systems were put in place to measure and track productivity at individual level and at project level. To become competitive on tools cost and improve utilisation, standardisation was done on engineering tools at practice level.

All these initiatives helped us in driving zero defect delivery and resulted in exceeding the goal on CSAT rating from customer with a consistent higher coverage in all quarters during the year. This also resulted in downward trend on high-risk projects.

To sustain quality with our scalability, there is more dependence on our processes, tools and systems. Continuous improvement is our focus 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. During the year, we took up many such improvements, upgraded our processes, and deployed across projects. The focus is on keeping the processes efficient and lean.

Our commitment to quality is improvised by our consistent endeavour in certifying ourselves to the best standards in the Industry. We continue to sharpen our quality focus through internal initiatives and by certifying against international standards. We underwent recertification assessment on Automotive SPICE and achieved Organisational Process Maturity Level 5, thereby continuing to hold this certification from 2007. We completed recertification audit on ISO9001. We achieved ASIL D for AUTOSAR Classis product. We continue to maintain our certification on Business Continuity Management (ISO 22301) and Information Security Management (ISO/IEC 27001).

Share Capital

The issued, subscribed and paid-up capital of the Company as on March 31, 2022 is ₹ 2,741.43 million consisting of 274,143,808 equity shares of ₹ 10/- each.

Institutional Shareholding

As on March 31, 2022, the total institutional shareholding in the Company was 28.31% to 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, 2022, the Company had fourteen subsidiaries and three associate companies.

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.

Further, a report on the highlights of performance of subsidiaries and their contribution to the overall performance of the Company has also been placed on the website of the Company. Ministry of Corporate Affairs (MCA), vide General Circular nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 and 02/2021 dated January 13, 2021 provided certain relaxations for companies, including conducting Extraordinary General Meeting (EGM) through Video Conferencing (VC) or through other audio – visual means (OAVM) for passing of special and ordinary resolution by Company on account of threat posed by COVID-19. Further, MCA vide General Circular 2/2022 dated May 5, 2022, & Securities and Exchange Board of India vide circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, has extended these relaxations to Annual General Meeting of companies to be conducted during the calendar year 2022. The members interested in obtaining a soft copies of the audited annual accounts of the Company and it's subsidiary companies may visit investor section on website of the Company www.kpit.com.

Directors

In accordance with Section 152 of the Act, Mr. S. B. (Ravi) Pandit retires by rotation at the ensuing annual general meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

Mr. Anup Sable has been appointed as an Additional & Executive Director (Whole-time Director) with effect from December 22, 2021 who, shall hold office upto the date of the ensuing annual general meeting. A resolution is being put up for the approval of the shareholders at the ensuing annual general meeting for his appointment.

Mr. Chinmay Pandit has been appointed as an Additional & Executive Director (Whole-time Director) with effect from July 26, 2022 who, shall hold office upto the date of the ensuing annual general meeting. A resolution is being put up for the approval of the shareholders at the ensuing annual general meeting for his appointment.

Ms. Bhavna Doshi and Prof. Rajiv Lal were appointed as an Additional & Independent Directors of the Company with effect from September 15, 2021 and November 1, 2021 respectively who, shall hold office upto the date of the ensuing annual general meeting. The resolutions are being put up for the approval of the shareholders at the ensuing annual general meeting for their appointments.

Due to the urgent personal pressing engagements, Ms. Shubhalakshmi Panse has resigned from the post of directorship of the Company with effect from June 17, 2021. The Board places on record its appreciation for valuable services provided by Ms. Panse during her tenure.

Independence of the Board

The Board of Directors of the Company comprises of optimum number of Independent Directors. In the opinion of the Board, the independent directors possess integrity, expertise and experience (including the 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

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 there under:

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

Ten 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 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 demonstrate 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 believe, 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

Pursuant to the provisions of Section 139(1) of the Act, read with the Companies (Audit and Auditors) Rules, 2014, M/s. B S R & Co. LLP, Chartered Accountants, 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.

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

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 report does not contain any qualification, reservation or adverse remark.

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 adequacy of internal financial controls with reference to financial statements for the year under review and 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 operations, performance and future 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 3 (a)".

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

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, no case was filed with the POSH committee. Thus, there were no complaints pending as on March 31, 2022.

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 2021-22.

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 2021-22.

Fixed Deposits

The Company has not accepted any deposits as on March 31, 2022.

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 50% of energy, hence focus was on HVAC operations to maximize efficiency. Having efficient HVAC VRF system gives more efficiency and flexibility to control smaller areas as per operational requirement. Due to COVID-19 Pandemic conditions, most of the employees were continued working from home hence there was low occupancy in office therefore, new process and practices were implemented such as AC temperature settings, monitoring of AC system w.r.t occupancy, cross ventilation and max air changes, seasonal temperature setting for ACs, shutting down unused lights and equipment with rigorous monitoring, regular monitoring of consumption and taking measures, monitoring meeting room, discussion rooms lights and AC working.

An open car parking lot of more than 8,000 sq. meters was 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.

The solar power parking lot providing double benefits as to cover 240 four wheelers and 350 two wheelers and capacity of generating energy upto 661.65 kWp which is indented to produce 960 thousand Units of power annually. 75% of the energy requirement of the sunny hours is fulfilled by solar plant and 47% of overall consumption is generated through solar energy. The said plant was commissioned in the month of August 2021. The plant was setup through BOT with zero capex investment and will save around ₹ 30 lacs annually. No capital investment on energy conservation was made by the Company in FY 2021-22.

During the year under review, KPIT continues with its commitment for greener world and has successfully covered around 4 acres of land as green belt with plantation of 1,333 native trees, shrubs and flowering plants which has increased the freshwater requirements.

In FY 2021-22, as some of the employees have resumed office, there was a marginal increase in consumption of power by 18% due to usage of hardware as well as there was an increase in water consumption around 44% as compared to previous financial year where all the employees were working from home.

Green Initiatives

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

- In the state of Maharashtra, the Koyna-Chandoli corridor has been a host of **KPIT's afforestation efforts in association with the Wildlife Research & Conservation Society** (WRCS). Continuing our previous year's efforts, we aligned our afforestation activities with the onset of monsoon. Due to the COVID-19 pandemic, our volunteers have not been able to participate physically in the plantation activities this year. With the help of local villagers and full-time activists of WRCS, we planted a total of 3,000 saplings. With this, a cumulative of **48,900 saplings were planted in an area of 252 acres with an overall survival rate of 80 percent.**
- Staying true to our commitment **towards a cleaner world**, we at KPIT observed Environment month and inspired all the KPITians to take steps towards environment protection from the comfort of their homes (considering COVID-19 restrictions) and by following **eco-friendly practices.** Events included various talks and workshops on Upcycling plastic, Home composting, Terrace gardening and Toxic free lifestyle.
- To create awareness about eco-friendly lifestyle, KPIT organized workshops on Eco-friendly Ganesha making and Handmade Diwali lanterns. We also invited guest speakers to talk on COVID-19 impact on wildlife, Understanding rivers & floods, effects of air pollution and SWACHH BHARAT.
- Mr. Anup Sable, Board Member of KPIT inaugurated and handed over a **drinking water well to villagers of Vatunde-Nigadimal in Dhangar Vasti,** about 60 km from Pune. Construction of this well started last year. This well is created to **help about 100 beneficiaries.** Going forward, they shall no longer be required to fetch water from long distances and will always have **easy access to clean drinking water.**
- KPIT collaborated with **14 Trees Foundation (14TF) and Ecological Society,** Pune 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 locals.** With the help of local villagers and full-time activists of 14TF, KPIT planted a total of 632 saplings.

Our Chairman, **Mr. S. B. (Ravi) Pandit** along with his family visited this project during monsoon. He **appreciated and encouraged efforts of 14TF team** towards protection of the environment and towards generating structured livelihood for the locals. KPIT has also inspired its clients to be part of the afforestation efforts. Supporting these efforts, KPIT along with a few **celebrated their work anniversaries** by planting the no. of trees equivalent to their years of partnership.

KPITians from the Pune office participated in the ongoing Mula river cleaning activity at Aundh in association with our NGO partner, **Jeevitnadi-Living River Foundation.** It was an early morning activity with a lot of hard but satisfying work. They **cleaned the riverbank, collected, and segregated garbage.** They also indulged in bird watching and observed nature to the fullest. Employees with their family members enjoyed the activity.

Occupational Health and Safety Assessment Series (OHSAS)

KPIT had a robust annual calendar with a wide range of activities for ensuring health and wellbeing of our employees. The programs were carried in all geographies where KPITians work in collaboration with our wellness partners. The following activities were carried out by the Company for ensuring health and safety of our employees in the year 2021-22.

- Wellness calendar with focus on nutrition, wellness, stress management, infectious disease prevention, mental health, childcare, pain management, meditation, e.g., 'Diet for Boosting Immunity', 'Relaxation Techniques for Emotional Wellbeing', 'Behavioral Ways to Cope-up with Anxiety', etc.
- Extensive webinars on COVID-19 Prevention and Precautions.
- Live virtual Health Studio with doctors and teleconsultation, exclusively for women 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.
- For better mental health & emotional intelligence, a webinar- 'Connecting in a Crisis For Better Wellbeing & Joy' that explained how our connections have a deep impact on our overall wellbeing and happiness.
- 73rd Republic Day celebrated with flag hoisting, funtakshari and Bharat Quiz, organized for employees along with their family and friends.
- Engagement through Talent Show and Quiz Competitions. Post lockdown, celebrated Children's Day by inviting all employees with their families to Children's Carnival – an offline event at KPIT Pune & Bangalore office. (All COVID-19 guidelines were thoroughly followed.)
- A full week dedicated to women's health through webinars, Zumba sessions, Diet & Nutrition, self-defense, meditation, healthy relationships, etc.

Specific preventive measures taken for safety of employees during COVID-19 pandemic:

- KPIT partnered with various Hospitals for providing Covishield vaccination to 1,900 KPITians and 1,100 immediate family members.
- KPIT have also facilitated to get parents/in-laws vaccinated on discounted payment basis.
- General physician and counsellor are available for any medical consultation or counselling for KPITian or anyone of family member.
- Cab shuttle service from KPIT's Hinjawadi Phase 3 office, Pune to KPIT's Hinjawadi Phase 2 office, Pune during evening.
- Implemented 96% Work From Home (WFH) to reduce risk of spread of COVID-19.
- Weekly COVID-19/RTPCR tests from renowned lab for all employees and 3rd party staff.
- Vaccination mandatory for all above 45 years. Temperature monitoring was done by keeping the air-conditioning at more than 25 degrees in Pune and 23 degrees in Bengaluru Office.
- Sanitizers were kept at all common places.
- Alternate wash basin and Urinal are closed to maintain distancing in washrooms.
- Daily windows are kept open for one hour before and after office hours for cross ventilation.
- Formed cross functional team across the globe for safety, well-being and communication.
- Deep cleaning and sanitization of office premises including increased frequency of cleaning – all touch points like doorknobs, switches etc. throughout the day.
- Wearing mask made mandatory for everyone in the office and for all third-party staff, face masks and gloves were mandatory in the week leading to the lockdown.
- Operations are being resumed with limited employees in staggered manner.
- Social distancing measures at all times from commuting, office work, cafeteria, and reduced

the number of chairs in the cafeteria. Only 4 people could sit on one table initially and later only 2 people were seated on a table meant for 6. Face to Face seating was discontinued.

- Personal hygiene and Safety First being followed all the time.
- Temperature checks and Status checks on Aarogya Setu app mandatory at office entry points.
- All doors including that of ODCs were kept open to reduce the touch points.
- Restricted use of elevator and only stairs to be allowed.
- Restrictions on use of Gym, recreation and resting rooms as per directions of the government.
- Recommended QR code-based payments in cafeteria.
- COVID warrior at every floor to oversee enforcement.
- Continuous awareness among employees through leadership videos, myWorld banners and communication.

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.

➤ ***Business Continuity Planning (BCP) – Enabling Secured WFH***

Given the unprecedented nature of COVID-19 crisis, KPIT is vigilant and working towards anticipating and planning for various scenarios. 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 the 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 module, KPIT has created solution considering highly trusted technologies, Process & People framework. As the remote working process got matured, multiple security tools and controls were introduced to cover the modern attack vectors.

Access to KPIT network over Next Generation Firewall Global Protect IPSec 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 using 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.
- Web-content filtering to protect against web malware.
- Collaboration using Microsoft Teams, Cisco WebEx.

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 state of the art open-source platform to OKD 4.8 (OpenShift's Open-Source Community Distribution) to cater to all the CI/CD pipeline. Platform is based on Kubernetes and it is architecturally highly available, auto scalable Open-Source Platform for Digital Technologies. To cater the need of data services, we deployed highly available open-source database clusters of MongoDB, PostgreSQL, and Percona XtraDB for MySQL. With zero surprises, all the corporate applications and data is migrated from an Enterprise Platform to new Opensource Platform. This helped organization in saving considerable yearly subscription cost.

Solution and Technology Deployed:

Considering 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 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. DevOps Team effectively took this challenge by deploying highly available and scalable OKD 4.5 on Fedora CoreOS with Kubernetes at its heart. DEV Team recoded all the applications and seamlessly migrated to the new platform with zero surprises. End user experience with applications running on 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 Kubernetes platform along with KAFKA clusters with Kerberos. The solution has 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 higher level of automation in all these 14 systems by use of various control panels and adaptors and have 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. Operations team is now better equipped to see all the systems in 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 last 2 years. In our pursuit of continual services optimization, Company has adopted Hyper-converged Infrastructure from all the three OEM solutions –HP, Nutanix Acropolis, Cisco HyperFlex and EMC vxRAIL.

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. We could implement hyper-converged solution within a few hours. This infrastructure is helping us in adding capacity on demand, without vendor lockdown. Even achieving disaster Recovery (dR) is much simpler and it even supports multi-hypervisor environments. Besides easing datacenter migrations, Company do not have to make upfront investments now.

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 compute capacity in the datacenter. We continued investing into this technology last year too and the organization is reaping its benefits.

➤ ***Virtual Desktop Environment***

Like majority of business organizations globally, KPIT also relies on its internal IT implementations to make processes more efficient, increase automation 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). 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 (Nutanix, CISCO, HPE) & VMware View based infrastructure platforms VMware Horizon View Virtual Desktop Infrastructure (VDI) Thin client

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. 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 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 meeting are conducted using these technologies. It has been observed that overall business travels across the globe has reduced by 25%. As this is a unified collaboration platform, end user productivity is also substantially improved. This solution hugely enabled remote collaborations during COVID-19 in big way.

Research and Development (R&D) Activity

During current year, the Company has not claimed any weighted deduction under section 35(2AB) of 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 ₹ 11,035.68 million (previous year ₹ 6,993.48 million) and foreign exchange outgo (including imports) has been ₹ 87.25 million (previous year ₹ 166.86 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	ThaigerTec Co. Ltd.	Investment in subsidiary	NA	NA	0.12	This is consequent to the transfer of investment from a wholly owned subsidiary, KPIT Technologies Pte Limited, Singapore.
2	PathPartner Technology Private Limited	Investment in subsidiary	NA	NA	890.00	Acquisition of controlling stake.
3	PathPartner Interior Sensing Private Limited *	Investment in subsidiary	NA	NA	2.52	This is consequent to the acquisition of controlling stake in PathPartner Technology Private Limited.

* Divested with effect from April 1, 2022.

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, on June 15, 2021, the Company has received approval from Hon’ble Mumbai Bench of National Company Law Tribunal approving the scheme of merger by absorption of Impact Automotive Solutions Limited, a wholly owned subsidiary, with KPIT Technologies Limited and their respective shareholders with an appointed date of April 1, 2019. As defined in the Scheme, it became effective on June 22, 2021 by filing the said order with Registrar of Companies.

During the year under review, the Company had entered into an agreement with PathPartner Technology Private Limited ("PathPartner"), an entity based in Bengaluru and its promoters for acquiring majority stake in PathPartner.

Further, on September 22, 2021, the Board of Directors has approved to purchase 25% shareholding in Future Mobility Solutions GmbH ('FMS'). Over a period of three years, KPIT will acquire the balance shareholding. Majority shareholding is expected to be acquired in the last quarter of the Financial Year 2022-23.

Material changes and commitments affecting the financial position of the Company

During this period of global crisis, our priority was to ensure the safety and wellbeing of our employees while helping our customers maintain seamless business service continuity. The Company scaled up fast to adopt social distancing norms, adopting new policies and restricting travel while enabling remote working for our associates.

We enabled multilevel communication with clients, backed by a technology engagement plan covering detailed steps across various aspects of each program. We helped clients with their BCP, anticipating challenges in their business while addressing them with technological solutions. Customers have appreciated the swiftness of our response, quality control, data protection and the level of support to ensure business continuity.

Parallelly, the safety of our employees and their families is of paramount importance to us. KPIT partnered with various Hospitals for providing vaccination to KPITians and their immediate family members. We also facilitated to get parents/in-laws vaccinated on discounted payment basis. We are in constant communication with our teams across the globe for any assistance that they might need. We also prioritized the wellness of our associates for which various sessions such as consultation through doctors and psychologists, yoga trainer, talk with leading nutritionist etc. were conducted.

We are equipped to support the communities we serve and the ones our people inhabit. It is our commitment to help citizens live and work sustainably and confidently in an ever-changing digital landscape.

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 2020-21 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, 2022, 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 so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year ended March 31, 2022;

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 27, 2022.

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

Cost Records

The Company is not required to maintain cost records under the provisions of Section 148(1) of the 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 26, 2022

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

ANNEXURE 1

FORM 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.	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Name of the subsidiary	KPIT (Shanghai) Software Technology Co. Limited, China	KPIT Technologies (UK) Limited (Refer note i below)"	KPIT Technologies Netherlands B.V.	KPIT Technologies GmbH, Germany (Refer note ii below)"	MicroFuzzy Industrie-Elektronic GmbH, Germany (Refer note iii below)	KPIT Technologias Ltda, Brazil (Refer note iv below)	KPIT Technologies GK (Refer note v below)	KPIT Technologies Inc. (Refer note vi below)	KPIT Technologies Holding Inc.	ThaiGerTec Co. Ltd. (Refer note vii below)	KPIT Technologies Pte. Limited (Refer note viii below)	PathPartner Technology Private Limited (Refer note ix below)	PathPartner Technology Inc. (Refer note ix below)	PathPartner Technology GmbH (Refer note ix below)
Date since when subsidiary was acquired	15-Jan-19	15-Jan-19	15-Jan-19	15-Jan-19	15-Jan-19	15-Jan-19	2-Apr-18	3-Apr-18	6-Sep-18	1-Apr-19	21-Nov-18	19-Oct-21	19-Oct-21	19-Oct-21
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Reporting currency	CNY	GBP	EUR	EUR	EUR	BRL	JPY	USD	USD	THB	SGD	INR	USD	EUR
Exchange rate as on the last date of the relevant financial year	11.9520	99.5524	84.6599	84.6599	84.6599	15.9380	0.6223	75.8071	75.8071	2.2823	55.9148	1.0000	75.8071	84.6599
Average exchange rate	11.6114	101.5018	86.3784	86.3784	86.3784	14.0816	0.6595	74.4271	74.4271	2.2699	55.1294	1.0000	74.4271	86.3784
Share capital	168.48	1492.35	42.33	1214.76	2.20	0.02	17.05	379.04	1288.72	36.52	-	10.79	3.79	2.12
Reserves & surplus	(3.25)	707.73	225.36	553.73	84.87	57.40	362.13	986.56	(1.80)	42.04	-	329.99	47.08	(5.20)
Total assets	314.69	2859.75	407.14	4080.47	2596.85	79.04	1234.68	2852.68	1286.92	96.56	-	613.34	80.39	8.69
Total liabilities	149.46	659.67	139.45	2311.98	2510.21	21.62	855.50	1487.09	-	18.00	-	272.56	29.52	11.78
Investments (except in case of investment in subsidiaries)	-	-	-	-	0.42	-	-	-	-	-	-	-	-	-
Turnover	519.81	1618.90	743.88	4778.11	3851.43	176.87	2917.27	9013.93	-	150.90	-	525.80	163.60	6.97
Profit / (Loss) before taxation	(10.42)	24.87	72.03	260.82	405.98	49.48	328.05	76.49	148.30	18.90	(0.01)	55.97	6.42	(0.63)
Provision for taxation	(1.42)	4.72	15.47	46.09	-	15.77	114.00	19.16	-	-	0.57	15.04	2.29	-
Profit / (Loss) after taxation	(9.00)	20.15	56.56	214.73	405.98	33.71	214.05	57.33	148.30	18.90	(0.58)	40.93	4.13	(0.63)
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	60%	60%	60%

Notes :

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

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

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 and 1.63% owned by KPIT Technologies GmbH, Germany

viii. Application for striking off of KPIT Technologies Pte Ltd. is filed on 28 March 2022.

ix. 60% owned by KPIT Technologies Limited, India

Pune
July 26, 2022

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 Associates/Joint Ventures	Yantra Digital Services Private Limited	PathPartner Interior Sensing Private Limited	FMS Future Mobility Solutions GmbH
1	**Latest audited Balance Sheet date**	31/03/2021[(i)]	31/03/2022[(ii)]	31/03/2022[(iii)]
2	**Shares of Associate/Joint Ventures held by the company on the year end**	Nil		
	No.		252,000	100,001
	Amount of investment in Associates/Joint Venture		2,520,000	211,649,835
	Extend of holding (%)		10.62%	25.00%
3	**Description of how there is significant influence**	As per IND AS 28 para 5, if an entity holds, directly or indirectly (e.g. through subsidiaries), 20% or more of the voting power of the investee, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case. Conversely, if the entity holds, directly or indirectly (e.g. through subsidiaries), less then 20% of the voting power of the investee, it is presumed that the entity does not have significant influence, unless such influence can be clearly demonstrated. A substantial or majority ownership by another investor does not necessarily preclude an entity from having significant influence. Significant influence is established as KPIT Technologies Limited holds 45% share in Yantra Digital Services Private Limited.	As per IND AS 28 para 5, if an entity holds, directly or indirectly (e.g. through subsidiaries), 20% or more of the voting power of the investee, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case. Conversely, if the entity holds, directly or indirectly (e.g. through subsidiaries), less then 20% of the voting power of the investee, it is presumed that the entity does not have significant influence, unless such influence can be clearly demonstrated. A substantial or majority ownership by another investor does not necessarily preclude an entity from having significant influence. Significant influence is established as director of KPIT Technologies Limited has representation on the board of directors in PathPartner Interior Sensing Private Limited.	Not applicable as it is a joint venture
4	**Reason why the associate/joint venture is not consolidated**	Equity method of accounting is followed as per IND AS 28, hence, only share of profit or loss is considered.	Equity method of accounting is followed as per IND AS 28, hence, only share of profit or loss is considered.	Equity method of accounting is followed as per IND AS 28, hence, only share of profit or loss is considered.
5	**Net worth attributable to shareholding as per latest audited Balance Sheet**	N.A.	N.A.	N.A.
6	**Profit/(Loss) for the year**	₹ (33.71) million	₹ (21.25) million	₹ 16.94 million
i	Considered in consolidation	Nil	₹ (2.26) million	₹ 4.24 million
ii	Not considered in consolidation	₹ (33.71) million	₹ (18.99) million	₹ 12.70 million

Notes:

i. The voluntary liquidation is in process. Pursuant to the provisions of the applicable regulations for voluntary liquidation, the statutory audit is not required for the financial year ending on 31 March 2022. Hence, the audited numbers as on 31 March 2021 are given.

ii. The figures considered for consolidation of financial statements of the Company as on 31 March 2022 are given.

iii. FMS Future Mobility Solutions GmbH is not subject to audit by the local laws, therefore, the figures considered for consolidation of financial statements of the Company as on 31 March 2022 are given.

Pune
July 26, 2022

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 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

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 on behalf of the Board of Directors

Pune
July 26, 2022

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

ANNEXURE 3A

a) Statement of employees covered under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) 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 ₹ 10,200,000/- p.a. in aggregate.							
Employee Name	**Age (Yrs.)**	**Designation**	**Qualification**	**Exp. (Yrs.)**	**Date of joining**	**Remuneration received (₹ in million)**	**Particulars of previous employment**
Kishor Patil	60	CEO & Managing Director	Chartered Accountant	38	08-Jan-18*	44.92	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Sachin Tikekar	54	President & Joint Managing Director	MBA (Strategic Management & International Finance)	28	08-Jan-18*	41.88	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Anup Sable	53	CTO & Whole-time Director	B.E. (Mechanical)	34	01-Jan-19**	11.84	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Rajesh Janwadkar	52	Executive Vice President	Bachelor of Engineering	33	01-Jan-19**	10.53	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 ₹ 850,000/- p.m.							
Srini Rao N	53	Vice President	Master's in Technology	31	01-Jan-19**	5.96	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Surendra Kumar Dhansoia	53	Principal Architect - Systems	Master's in computer science	12	01-Jan-19**	5.24	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Neeraj Deshpande	42	Program Manager	B.E. (Computer Science)	19	01-Jan-19**	2.92	KPIT Technologies Limited (renamed as Birlasoft Limited)**

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
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.

   * 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.

For and on behalf of the Board of Directors

Pune
July 26, 2022

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	60	CEO & Managing Director	Chartered Accountant	38	08-Jan-18*	44.92	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Sachin Tikekar	54	President & Joint Managing Director	MBA (Strategic Management & International Finance)	28	08-Jan-18*	41.88	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Anup Sable	53	CTO & Whole-time Director	B.E. (Mechanical)	34	01-Jan-19**	11.84	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Rajesh Janwadkar	53	Executive Vice President	Bachelor of Engineering	33	01-Jan-19**	10.53	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Pushpahas Joshi	47	Executive Vice President	Bachelor of Engineering	28	01-Jan-19**	10.14	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Priyamvada Hardikar	50	Sr. Vice President & Head - Corporate Finance & Governance	Cost Accountant	29	01-Jan-19**	9.15	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Tejas Kshatriya	49	AVP & Mechatronics and Energy Storage Gro	B.E. (Electronics)	26	01-Jan-19**	8.29	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Manaswini Rath	48	Practice Head	M.S. (Industrial Electronics)	28	01-Jan-19**	8.27	KPIT Technologies Limited (renamed as Birlasoft Limited)**
Suneel Pandita	56	Vice President	Doctorate in materials science	24	27-Jun-19	8.25	Boeing International
Nishant Tholiya	46	Vice President - Business Leader	B.E. (Electronics & Tele-communication)	27	01-Jan-19**	8.03	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.

For and on behalf of the Board of Directors

Pune
July 26, 2022

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

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	8.16
		Mr. Kishor Patil#	47.29
		Mr. Sachin Tikekar#	44.08
		Mr. Anup Sable*	Not Applicable
		Prof. Alberto Sangiovanni Vincentelli	4.27
		Mr. B V R Subbu	3.46
		Mr. Anant Talaulicar	5.18
		Dr. Nickhil Jakatdar	2.20
		Ms. Bhavna Doshi*	Not Applicable
		Prof. Rajiv Lal*	Not Applicable
		Ms. Shubhalakshmi Panse*	Not Applicable
		#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 Income Tax Act, 1961. The reported figures looks higher or lower depending on the components of the CTC. *Not applicable as figures for 2021-22 are for the part of the year.	
ii.	The percentage increase in remuneration of each Director, CFO, CS in the financial year	**Names**	**Ratio**
		Mr. S. B. (Ravi) Pandit	103.95
		Mr. Kishor Patil#	49.83
		Mr. Sachin Tikekar#	48.05
		Mr. Anup Sable*	Not Applicable
		Prof. Alberto Sangiovanni Vincentelli	90.61
		Mr. B V R Subbu	40.60
		Mr. Anant Talaulicar	84.96
		Dr. Nickhil Jakatdar	51.45
		Ms. Bhavna Doshi*	Not Applicable
		Prof. Rajiv Lal*	Not Applicable
		Ms. Shubhalakshmi Panse*	Not Applicable
		Ms. Priyamvada Hardikar	55.67
		Ms. Nida Deshpande	22.08
		# 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 2021-22 are for the part of the year.	
iii.	The increase in the median remuneration of employees in the financial year	18.8%	
iv.	The number of permanent employees on the rolls of the Company	6,404 employees as on March 31, 2022.	

Sr. No.	Particulars	Disclosure
v.	Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentage increase in salaries of employees other than Managerial Personnel is 10.3% Average increase in the remuneration of Directors and Key Managerial Personnel is 55.90%
vi.	It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company.	

For and on behalf of the Board of Directors

Pune
July 26, 2022

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
1	Date of Shareholder's Approval	29-Aug-18	23-Jul-19	23-Jul-19
2	Total Number of Options approved	1,807,450	3,793,923	40,000
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.
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.
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.
6	Method of Settlement	Settlement by issue of Equity shares		Not applicable to the Scheme.

Sr. No.	Particulars	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme
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 .		
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'.	NIL

II. Option Movement during the year ended March 2022

Sr. No.	Particulars	ESOP 2019 Scheme		ESOS 2019A Scheme		ESPS 2019 Scheme	
		No. of Options	Wt. Avg Exercise Price	No. of Options	Wt. Avg Exercise Price	No. of shares	Wt. Avg Exercise Price
1	No. of Options/ shares Outstanding at the beginning of the year	1,037,905**	45.41	3,707,000	10.00	19,955	10.00
2	Options Granted during the year	0	0.00	250,500	10.00	0	NA
3	No. of additional shares offered during the year	0	0	0	0	0	NA
4	Options/ shares Forfeited / Surrendered during the year	42,000	44.96	363,050	10.00	0	NA
5	Options/ shares Lapsed during the year	22,200	44.96	0	NA	16,995	10.00
6	Options/ shares Exercised during the year	506,055	44.85	464,010	10.00	2,935	10.00
7	Total number of shares arising as a result of exercise of options	506,055	NA	464,010	10.00	2,935	10.00
8	Money realised by exercise of options (Rs.)	22,697,873	NA	4,640,100	NA	29,350	10.00
9	Number of options/ shares Outstanding at the end of the year	467,650	46.08	3,130,440	10.00	25	10.00
10	Number of Options/ shares exercisable at the end of the year	416,300	46.22	593,790	NA	0	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
	Weighted Avg Contractual Life (in Years) as on 31st March 2022		
0 to 50	0.92	5.66	0.00
No. of Options Outstanding	417,650	3,130,440	0.00
50 to 100	2.47	0.00	NA
No. of Options Outstanding	50,000	0.00	NIL
100 to 150	NA	NA	NA
No. of Options Outstanding	NIL	NIL	NIL
150 to 200	NA	NA	NA
No. of Options Outstanding	NIL	NIL	NIL

Sr. No.	Particulars	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme
IV.	**Weighted Average Fair Value of Options granted during the year ended March 2022 whose**			
(a)	Exercise price equals market price	No Options Granted during FY 2021-22	NA	No Options Granted during FY 2021-22
(b)	Exercise price is greater than market price		NA	
(c)	Exercise price is less than market price		474.99	

Sr. No.	Particulars	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme
V.	The weighted average market price of options exercised during the year ended March 2022	86.52	231.71	NIL

Sr. No.	Particulars	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme
VI.	**Employee-wise details of options granted during the financial year 2021-22 to:**			
(i)	**Senior Managerial Personnel**			
Sr. No.	**Name of the Employee**	**No. of Options Granted**	**No. of Options Granted**	**No. of Options Granted**
1	Suresh Umakanthaiah	No Options Granted during FY 2021-22	5,000	NA
2	Dhruba Sarma		13,500	
3	Satish Kumar		10,000	
4	Rohit Natekar		5,000	
5	Jonas Nicholson		40,000	
6	Divyesh Desai		5,000	
7	Srini Rao M		5,000	
8	Omkar Panse		10,000	
9	Akshay Kanetkar		2,500	

(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
	No. of Options Granted	No. of Options Granted	No. of Options Granted
Name of the Employee	No Options Granted during FY 2021-22	None of the employees were granted more than 5% or more of the options granted during the year	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
	No. of Options Granted	No. of Options Granted	No. of Options Granted
Name of the Employee	No Options Granted during FY 2021-22	None of the employees were granted more than 1% or more of the options granted during the year	NA

Sr. No.	Particulars	ESOP 2019 Scheme	ESOS 2019A Scheme	ESPS 2019 Scheme
VII.	**Method and Assumptions used to estimate the fair value of options granted during the year ended March 2022**			
	The fair value has been calculated using the Black Scholes Option Pricing model			
	The Assumptions used in the model are as follows:			
	Variables	**Weighted Avg**	**Weighted Avg**	**Weighted Avg**
1.	Risk Free Interest Rate %	No Options Granted during FY 2021-22	5%	NA
2.	Expected Life (in years)		3.76	NA
3.	Expected Volatility %		50.13%	NA
4.	Dividend Yield %		0.36%	NA
5.	Exercise Price		10.00	NA
6.	Price of the underlying share in market at the time of the option grant.(Rs.)		488.68	NA

Assumptions

Stock Price: Closing price on National Stock Exchange on the date of grant has been considered.

Volatility: The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicy 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-22
1	Employee Option Plan Expense	77,375,838
2	Total Liability at the end of the period	188,288,428

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 :

i) 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 N-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				

ii) Brief details of transactions in shares by the Trust

Particulars	Details	
Number of shares held at the beginning of the year	51,00,248	
Number of shares acquired during the year through		
primary issuance	NIL	
secondary acquisition	NIL	
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**
	973,015	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	4,127,233	

iii) 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	3,609,869	1.31
Acquired during the year	NIL	0.00
Sold during the year	NIL	0.00
Transferred to the employees during the year	9,73,015	0.35
Held at the end of the year	2,636,854	0.96

*All these secondary shares are backed by outstanding options (grants).

For and on behalf of the Board of Directors

Pune
July 26, 2022

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 has 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:

Sl. 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	Member	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company :
   https://d1rz4ui464s6g7.cloudfront.net/wp-content/uploads/2022/06/08112151/CSR-Policy.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set- off for the financial year, if any (in ₹)
Not Applicable			

6. Average net profit of the company as per section 135(5): **₹ 1,379,930,000**

7. (a) Two percent of average net profit of the company as per section 135(5): **₹ 27,600,000**
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**
   (c) Amount required to be set off for the financial year, if any: **NIL**
   (d) Total CSR obligation for the financial year (7a+7b-7c): **₹ 27,600,000**

8. (a) 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.
₹ 41,525,124	NIL	Not Applicable	Not Applicable	Not Applicable	Not Applicable

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration.	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹).	Amount Transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number.
1	Water Conservation Program	IV	Yes	Maharashtra	Pune	1 Year	1,200,000	1,200,000	-	No	In Association with Jnana Prabodhini	CSR00002565
2	Conservation of Private Forests in Koyna-Chandoli Corridor	IV	Yes	Maharashtra	Pune	1 Year	500,000	500,000	-	No	In Association with Wildlife Research & Conservation Society	CSR00004158
3	Tree plantation with Ecological Society & 14 Trees Foundation	IV	Yes	Maharashtra	Pune	1 Year	2,000,000	2,000,000	-	No	In Association with Ecological Society	CSR00009860
4	Ensuring Environmental sustainability	IV	No		PAN India	1 Year	1,500,000	1,500,000	-	No	In Association with Aga Khan Rural Support Programme (India)	CSR00004229
5	Ek Tara	IV	Yes	Maharashtra	Pune	1 Year	250,000	250,000	-	No	In Association with Ek Tara	CSR00004075
6	Chhote Scientists	II	Yes		PAN India	1 Year	2,900,000	2,900,000	-	No	In Association with Jnana Prabodhini	CSR00002565
7	KPIT Sparkle	II	Yes		PAN India	1 Year	10,250,000	13,101,567	-	Yes	-	-
8	KPIT Shodh	II	Yes		PAN India	1 Year	1,000,000	784,450	-	Yes	-	-
9	KPIT NOVA	II	Yes		PAN India	1 Year	1,500,000	1,448,802	-	Yes	-	-
10	Teaching Classes at Thayimane, Bengaluru	II	No	Karnataka	Bengaluru	1 Year	249,049	254,049	-	No	In Association with Shri Vidya Vikas Kendra	
11	Encouraging the Lawn Tennis in India	VII	Yes	Maharashtra	Pune	1 Year	6,355,250	6,355,250	-	No	In Association with Pune Metropolitan District Tennis Association	CSR00016166
12	Encouraging the Lawn Tennis in India	VII	Yes	Maharashtra	Pune	1 Year	144,750	144,750	-	No	In Association with Maharashtra state lawn tennis association	CSR00009419

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration.	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹).	Amount Transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number.
13	Economic Empowerment of Women through skill training	III	Yes	Maharashtra	Pune	1 Year	1,015,000	1,010,000	-	No	In Association with Maharshi Karve Stri Shikshan Sanstha	CSR00003823
14	Donation Of BiPAPs Machines and Oxygen Concentrators	I	Yes	Maharashtra	Pune	1 Year	5,000,000	5,000,000	-	No	In Association with Mahratta Chamber of Commerce, Industries and Agriculture, Pune	CSR00005065
15	Treatment of under - privileged COVID positive patients	I	Yes	Maharashtra	Pune	1 Year	1,500,000	1,500,000	-	No	In Association with Lata Mangeshkar Medical Foundation	CSR00001393
16	Support to Covid Care Centre	I	Yes	Maharashtra	Pune	3 Months	1,500,000	1,500,000	-	No	In Association with Jankalyan Samiti	CSR00000424
			Total				**₹ 39,448,868**					

(c) Details of CSR amount spent against other than ongoing projects for the financial year: **Not Applicable**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation-Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number
Not Applicable									

Details of CSR spent during the financial year are included in Notes to Accounts in Standalone Financial Statements (Refer note 51) The total spent referred in the annexure below is direct spend off ₹ 41,525,124/- towards CSR activities and the Company has also spent employee participation cost ₹ 7,002,028/- over and above to its direct spent.

(d) Amount spent in Administrative Overheads: **₹ 2,076,256**

(e) Amount spent on Impact Assessment, if applicable : **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **₹ 41,525,124**

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	27,600,000
(ii)	Total amount spent for the Financial Year	38,215,599
(iii)	Excess amount spent for the financial year [(ii)-(i)]	10,615,599
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	10,615,599

Note: Excess amount has been spent for COVID combat activities. Being a socially sensitive and responsible company, we feel it was our duty to serve the humanity during the pandemic. Hence, we decided not to take set-off of this excess amount in our CSR spent for FY 2022-23.

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to 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 ₹)
				Name of the Fund	Amount (in Rs).	Date of transfer	
	FY 2020-21	3,309,525	3,309,525	NA	NA	NA	NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1) Sr. No.	(2) Project ID.	(3) Name of the Project.	(4) Financial Year in which the project was commenced.	(5) Project duration.	(6) Total amount allocated for the project (in ₹).	(7) Amount spent on the project in the reporting Financial Year (in ₹).	(8) Cumulative amount spent at the end of reporting Financial Year. (in ₹)	(9) Status of the project - Completed /Ongoing.
1		Conservation of Private Forests in Koyna-Chandoli Corridor	FY 2021-22	12 months	500,000	500,000	500,000	Completed
2		Tree plantation with Ecological Society	FY 2021-22	12 months	2,000,000	2,000,000	2,000,000	Completed
3		Ensuring Environmental sustainability	FY 2021-22	12 months	750,000	750,000	750,000	Completed
4		Water Conservation Program	FY 2021-22	12 months	59,525	59,525	59,525	Completed
				Total	**3,309,525**	**3,309,525**	**3,309,525**	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **(asset-wise details).**

    (a) Date of creation or acquisition of the capital asset(s).: **Not Applicable**

    (b) Amount of CSR spent for creation or acquisition of capital asset.: **Not Applicable**

    (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **Not Applicable**

    (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **Not Applicable**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

Kishor Patil
CEO & Managing Director

Anant Talaulicar
Chairman of CSR Committee

Pune
July 26, 2022

ANNEXURE 6

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2022

[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, 2022 ('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, 2022 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) Regulations, 2014 and 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 Debt Securities) Regulations, 2008; (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 (SS-1 and 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 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.

- The Hon'ble National Company Law Tribunal, Mumbai Bench, issued certified copy of the Order in connection with merger of Impact Automotive Solutions Limited with the Company on June 15, 2021.

Place: Pune
Date: 27 April 2022

Dr. K. R. Chandratre
FCS No.: 1370, C. P. No.: 5144
UDIN: F001370D000221832
Peer Review Certificate No.: 1206/2021

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 are 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.

Place: Pune
Date: 27 April 2022

Dr. K. R. Chandratre
FCS No.: 1370, C. P. No.: 5144
UDIN: F001370D000221832
Peer Review Certificate No.: 1206/2021

MANAGEMENT DISCUSSION AND ANALYSIS

Global outlook

The global economy entered 2022 in a weak position, still reeling under the effects of the COVID-19 pandemic. As the new Omicron variant spread, countries reimposed mobility restrictions. Rising energy prices and supply chain disruptions resulted in higher and more broad-based inflation than anticipated. Against this backdrop, the global economy is expected to moderate from 5.9% in 2021 to 4.4% in 2022.

The conflict between Russia and Ukraine has resulted in severe economic consequences. It has triggered not only a costly humanitarian crisis but also led to significant economic damage to global growth in 2022. A severe double-digit drop in Ukraine's GDP and a large contraction in Russia is more than likely, along with worldwide spillovers through commodity markets, trade and financial channels. Energy and commodity prices, including wheat and other grains, have surged. The conflict is expected to significantly reduce growth and add to inflation. For 2022, inflation is projected at 5.7% in advanced economies and 8.7% in emerging market and developing economies. Fuel and food prices have increased rapidly and led to complicated trade-offs for central banks to contain price pressures and safeguard growth. Interest rates are expected to rise as central banks tighten policies, exerting pressure on emerging markets and developing economies. Moreover, many countries have limited fiscal policy space to cushion the impact of the war on their economies. Countries that have close economic links with Ukraine and Russia are at particular risk of scarcity and supply disruptions, while also having to deal with the rising inflow of refugees.

Debt levels have risen significantly. The war and the impending increase in global interest rates will further reduce fiscal space in many countries, especially oil and food-importing emerging markets and developing economies.

The US economy staged a strong recovery after the COVID-19 shock and is expected to grow at 3.9% in 2022, compared to 5% in the previous year. Supply chain disruptions continued into the fourth quarter, hindering global manufacturing. Additionally, clogged ports, land-side constraints and high demand for goods have led to broadening price pressures.
To mitigate the situation, the Federal Reserve decided to accelerate its taper of asset purchases and signalled that it will raise rates further in 2022 than previously expected. In 2023, reducing inflation and providing price stability will protect real incomes and help sustain growth over the medium term.

In Europe, a resurgence in COVID cases held back broader recovery. Fossil fuel prices have almost doubled in the past year, leading to rising energy costs and higher inflation. As Europe is a net energy importer, increased global prices constitute a negative terms-of-trade shock for most countries.
Growth is expected to contract from 5.2% in 2021 to 3.9% in 2022 and 2.5% in 2023. As monetary conditions tighten globally, the European Central Bank (ECB) announced it will end net asset purchases under the Pandemic Emergency Purchase Programme in March 2022, while it will temporarily increase net purchases by a modest amount under its longer-standing Asset Purchase Programme.

As net importers of oil, gas, and metals, Asia's emerging and developing economies are vulnerable to rising global commodity prices. Consequently, a deterioration in their terms of trade — the ratio of export prices to import prices – will likely reduce growth, weaken currencies and worsen current-account balances. Inflationary pressures are also aggravated by high food and fuel prices, particularly in low-income nations, where they account for a significant portion of consumer spending.
Slower growth and rising prices, coupled with the challenges of war, infection and tightening financial conditions, will exacerbate the difficult policy trade-off between supporting recovery and containing inflation and debt. The combination of transmissible variations in China and the tight zero-COVID strategy has led to repeated mobility restrictions and localised lockdowns, which have weighed on private consumption.
Recent lockdowns in Shenzhen and Shanghai will likely worsen supply disruptions. In this scenario, Asia's GDP is expected to expand by 4.9%. As per the April 2022 forecasts of the IMF, growth in Asia in 2022 will be led by India (8.2%) and the Philippines (6.5%).

[Source: International Monetary Fund (IMF)]

Industry Trends

In 2021, the automotive industry witnessed massive changes sparked by supply chain problems and the effects of the pandemic. On the one hand, supply chain issues were leading to one of the lowest vehicle inventories, yet on the other, there was record pricing and profits amid resilient consumer demand. Worldwide car sales grew to around 66.7 million units in 2021, up from around 63.8 million units in 2020. Electric vehicle (EV) sales around the world have doubled to 4.6 million units in 2021. Overall global car sales are expected to grow, but the annual growth rate is expected to drop from 3.6% over the last five years to around 2% by 2030 due to macroeconomic factors and the rise of new mobility services such as car-sharing and e-hailing.

In 2021, the industry also witnessed a rise in Connectivity, Autonomous, Shared mobility and Electrification (CASE) trends and a shift toward 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.

Disruptions in the supply chain of these three crucial raw materials are forcing OEMs and Tier 1s to close production lines. It is also affecting the supply and production of semiconductor chips, EV batteries and catalytic converters. This, in turn, will result in production delays, longer waiting times and higher vehicle prices. In the case of EVs, higher costs could dampen sales and uptake levels.

The era of Software Defined Vehicles

This decade represents one of the most significant tech disruptions in the automotive industry through technologies such as CASE or ACES, and SDVs. These developments are also a significant driver of the expected 7% CAGR in the automotive software (SW) and electrical and electronic components (E/E) market, i.e., from $ 238 billion to $ 469 billion, between 2020 and 2030. Software applications, operating systems, and middleware are growing at an even faster rate, at a CAGR of 11%. Overall, the vehicle software market is expected to nearly double by 2030, fuelled by the digital push among top OEMs and a dramatic increase in their investments.

(Source: 'Automotive software and electronics 2030' by McKinsey & Company, S&P Global Mobility Report).

The software and electronics architecture in vehicles is expected to see a major evolution.
Sensors, harnesses, electronic control units (ECUs) and other hardware components are expected to become increasingly standardised and commoditised with the transition towards software-defined functions. ACES is contributing to growth in domains such as connectivity, the pursuit of AVs and electrification. Areas such as autonomous driving, connected services, energy, and infotainment will gain complexity, as well as become increasingly relevant for a broader share of vehicle platforms.
These changes are seen both in the passenger car and commercial vehicle segments.

The E/E architecture is also undergoing a major transformation to keep up with the evolving automotive industry. From a distributed architecture, it is now growing to a centralised architecture in which the control of the entire vehicle is centralised in one place. It is further categorised into a 'zone architecture', in which the vehicle is divided into several zones and controlled in a coordinated manner. Software is key for the new E/E architecture and hence the demand is also expected to increase significantly.

Leading OEMs and mobility companies have announced investments to the tune of billions of dollars in the new technologies which will enable the above transformation. With the mobility industry investing heavily in CASE and architectural changes to make SDVs a reality, more robust demand is expected for the next 3-5 years. OEMs and Tier 1s will be able to monetise the new features they launch and provide for their regular upgradation.

KPIT – Accelerating transformation towards software-defined vehicles

KPIT is focussed on automotive software. KPIT has been working on areas of embedded automotive software for over two decades and is at the forefront of the ongoing transformation in the segment while working closely with the automotive brands.

As the role of software and data grows, so does its complexity. Traditionally the core competencies of many automotive and commercial vehicle companies revolved around manufacturing prowess, branding, and some of the critical technologies. The automobile software being highly domain-specific intensifies this complexity. With the safety of people at stake, the consequence of a software issue in a vehicle is catastrophic, to say nothing of the high expenses involved. This makes automotive and mobility software an area that calls for not only programming skills but also domain expertise and significant experience. To adapt to this explosion of software within the vehicles, the industry now needs people with different types of skills and a partner with deep software competence.

KPIT is uniquely positioned to be a global partner to the automotive and mobility ecosystem for making software-defined vehicles a reality. We will have sharper focus on talent attraction, development and retention. In line with the industry, employee turnover was on the higher side in 2nd half of FY 2022, expected to stabilise in the current fiscal.

KPIT continues to invest in the right technologies and partnerships to help us deliver value to our clients, making them successful in their transformation through profound expertise in relevant practices and creating greater value to them through our PTAs (Platforms, Tools and Accelerators). The relationship with our key T25 clients continues to get deeper and more strategic. We are investing more in our employees in order for them to realise their true potential, making KPIT the Best Place to Grow.

Significant Deal Wins in FY 2022

KPIT won a multi-million-dollar strategic engagement from a leading European Car Manufacturer in the Electric Powertrain domain. The engagements pans over five years of software development, integration work and software maintenance. The total deal value is more than $ 50 million. In the journey towards software-defined vehicles, the value KPIT will deliver in these programmes become significant. KPIT has been selected as a next gen software development and integration partner for the control unit of a new e-powertrain component, function development and software testing of all power electronics components of next gen Invertor, On-board Charger and Battery Management Systems (BMS).

A leading European OEM selected KPIT as its key partner for next generation ECU

Platforms' Software. This multi-year engagement is across areas of Software Architecture, Software Development, Configuration and Integration, and Validation.

Financial performance

Revenue

During this year, our revenue stood at $ 328.36 million, against $ 274.77 million in FY 2021. During the year, there was a considerable shift in the work from onsite to offshore and thus in terms of volumes the revenue growth was proportionately higher. In ₹ terms, revenue for the year was reported at ₹ 24,324 million as against ₹ 20,357 million in FY 2021. The passenger cars vertical contributed around 73.8% of the total revenues in FY 2022 whereas the commercial vehicles segment contributed around 24.4% of the revenues whereas the balance was from other small segments.

In terms of geography, US contributed around 39%, Europe 40% and the balance 21% came from Asia. All our strategic clients are global in nature and hence the geography break-up is increasingly becoming global. Our Strategic Accounts (T21) contributed around 83.8% of the overall revenues as compared to around 85.7% last year.

Profitability

The EBITDA margin for FY 2022 stood at 18.0% as against 15.2% for FY 2021. The EBITDA for FY 2021 was ₹ 4,385 million as against ₹ 3,101 million for FY 2021. The Net Profit for FY 2022 stood at ₹ 2,742 million. We have been improving our EBITDA margins consistently for the last 7 quarters. In the medium term, we want to focus on further improvement in operating profitability with emphasis on engineering productivity improvement, increase in offshore revenues, broadening of offshore employee pyramid, leveraging of fixed costs and scaling up in our strategic accounts.

Shareholder's Funds

The Shareholder's Funds as at March 31, 2022 stood at ₹ 13,096 million.

Liquidity

The Cash Balance as at March 31, 2022 stood at ₹ 10,380 million as against ₹ 8,224 million as at March 31, 2021. The DSO were at 53 days as at March 31, 2022 as against 54 days as at March 31, 2021. We have consistently focussed on faster cash conversion and as a result have been able to bring down the DSO substantially. We have been consistently increasing our net cash balance over last 12 quarters. As on March 31, 2022 our total debt stood was NIL as also in the previous year. Thus, the Net Cash Balance as at March 31, 2022 stood at ₹ 10,380 million as against ₹ 8,224 million as at March 31, 2021, a net increase of ₹ 2,156 million.

Employees

The total headcount for the company stood at 8,245 as at the end of FY 2022. The same was 6,366 as at the end of FY 2021. The Development Headcount was 7,628 as against 5,848 last year. A detailed update on People is covered under the letter from the CEO and the Joint MD.

Cautionary Statement

Certain statements under 'Management Discussion & Analysis' describing the Company's objectives, projections, expectations may be forward looking statements within the applicable securities laws and regulations. Although the expectations are based on reasonable assumptions, the actual results could differ materially from those expressed or implied, since the Company's operations are influenced by external and internal factors beyond the Company's control. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, basis any subsequent developments, information or events.

REPORT ON CORPORATE GOVERNANCE

Corporate Governance Philosophy:

Corporate Governance means that the company manages its business in a manner that is accountable and responsible to the shareholders. In a wider interpretation, corporate governance includes company's accountability to shareholders and other stakeholders such as employees, suppliers, customers and local community. Efficient, transparent and impeccable corporate governance is vital for stability, profitability and desired growth of the business of any organization. The importance of such corporate governance has now become more intensified, owing to ever-growing competition and rivalry in the businesses of almost all economic sectors, both at the national and international levels. There have been continuous amendments in Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by which regulators are making tremendous efforts to introduce new and innovative means to make corporate governance in India optimally progressive, transparent and beneficial to all the stakeholders.

Corporate Governance is basically an approach of managing efficiently and prudently all the activities of a company, in order to make the business stable and secure, growth-oriented, maximally profitable to its shareholders and highly reputed and reliable among all customers and clients concerned. The Board Structure and Top Management are directly and exclusively responsible for such governance. For these purposes, the top management must have flawless and effective control over all affairs of the organization, regular monitoring of all business activities and transactions, proper care and concern for the interest and benefit of the shareholders and strict compliances to regulatory and governmental regulations. Thus, corporate governance is strict and efficient application of all best management practices and corporate & legal compliances, amid the contemporary and continually changing business scenarios.

We believe practicing corporate governance to ensure transparency in our corporate affairs and are committed to continuously scale up the corporate governance standards.

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 stake-holders, 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 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 ten Directors as on March 31, 2022, one is Non-Executive Chairman, three are Executive Directors and six are Independent Directors. The Board members have diverse background 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, 2022

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	Non-executive	None	3	2	Nil	Thermax Limited	Independent Director
2	Mr. Kishor Patil, CEO & Managing Director	Executive	None	2	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. Anant Talaulicar	Independent	None	9	3	1	1) The Hi-Tech Gears Limited 2) Birlasoft Limited 3) Everest Industries Limited 4) India Nippon Electricals Limited 5) Endurance Technologies Limited	Independent Director Independent Director Independent Director Independent Director Independent Director

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. B V R Subbu	Independent	None	3	1	2	1) MTAR Technologies Limited 2) Sona BLW Precision Forgings Limited	Independent Director Independent Director
7	Prof. Alberto Sangiovanni Vincentelli	Independent	None	1	Nil	Nil	Nil	Nil
8	Dr. Nickhil Jakatdar	Independent	None	1	Nil	Nil	Nil	Nil
9	Ms. Bhavna Doshi$$	Independent	None	8	4	5	1. Nuvoco Vistas corporation Limited 2. Indusind Bank Limited 3. Sun Pharma Advanced Research Company Limited 4. Everest Industries Limited	Independent Director Independent Director Independent Director Independent Director
10	Prof. Rajiv Lal$$$	Independent	None	1	Nil	Nil	Nil	Nil

* including directorship in 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 1, 2022

$ Appointed with effect from December 22, 2021.

$$ Appointed with effect from September 15, 2021.

$$$ Appointed with effect from November 1, 2021.

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. Anant Talaulicar	√	-	√	√	√	√
6	Mr. B V R Subbu	-	√	√	√	√	-
7	Prof. Alberto Sangiovanni Vincentelli	-	√	√	√	-	√
8	Dr. Nickhil Jakatdar	-	√	√	√	-	-
9	Ms. Bhavna Doshi#	-	-	√	√	√	√
10	Prof. Rajiv Lal@	-	√	√	√	-	√

* Appointed with effect from December 22, 2021.

Appointed with effect from September 15, 2021.

@ Appointed with effect from November 1, 2021.

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 per cent. 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 SEBI (LODR) (Amendment) Regulations, 2018, and their independence from the management, where the independent directors did not participate.

6. Separate meeting of the Independent Directors

During FY 2021-22, a separate meeting of the Independent Directors of the Company was held on March 29, 2022.

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 for meetings of 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, 2022. The details of such familiarization programs are uploaded on the website of the Company (https://www.kpit.com/investors/#policies-reports-filings).

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, Whole-time Director is a President & Joint Managing Director and Mr. Anup Sable is a Whole-time Director of the Company. The authorities and responsibilities of each of the above Directors are clearly demarcated as under:

The 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.

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

The 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 & lead 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.

The 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.

E. Membership Term

As per the current laws in India, Independent Directors can hold office for a first term of up to five years which can be extended for another period of five years by the shareholders of the Company. Mr. Anant Talaulicar, Mr. BVR Subbu, Prof. Alberto Vincentelli and Dr. Nickhil Jakatdar were appointed as Independent Director 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.

During the year under review, pursuant to Regulation 17(1A) of SEBI (LODR) Regulations, 2015, a special resolution was passed by the shareholders for continuation of Prof. Alberto Luigi Sangiovanni Vincentelli, as an Independent Director who was attaining age of 75 years (Date of Birth: June 23, 1947) during his current tenure of directorship valid till January 15, 2024.

During the year under review, Ms. Bhavna Doshi and Prof. Rajiv Lal were appointed as an Additional & Independent Directors of the Company with effect from September 15, 2021 and November 1, 2021 respectively who shall hold office upto the date of the ensuing annual general meeting. The resolutions are being put up for the approval of the shareholders at the ensuing annual general meeting for their appointments.

During the year under review, Ms. Shubhalakshmi Panse has resigned from the position of Independent Director of the Company with effect from June 17, 2021, due to her certain urgent personal pressing engagements.

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) but are eligible for re-appointment upon completion of their respective term.

As for the Non-Independent Directors, at least two-third 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 re-appointment. Mr. S. B. (Ravi) Pandit, retires at the ensuing annual general meeting and being eligible, seeks re-appointment as a Director.

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:
  - ➤ Financials for the quarter and its analysis;
  - ➤ Cash profit generated during the quarter
  - ➤ Yearly financial plan vs. actual
  - ➤ SBU (Strategic Business Unit) wise performance
  - ➤ Profitability drivers
  - ➤ Utilization of resources
  - ➤ Peer group analysis and analyst coverage
  - ➤ Mergers and acquisitions pursuits
  - ➤ Investments in the Company
  - ➤ Subsidiaries' financials and operations
  - ➤ Statement on foreign exchange exposure and related mitigating activities;
- Presentations of 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 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, 2022.

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 for creating 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, ten Board meetings were held on the following dates:

a) April 27, 2021;

b) June 21, 2021;

c) July 23, 2021;

d) July 26, 2021;

e) September 22, 2021;

f) October 30, 2021 continued on November 1, 2021;

g) December 22, 2021;

h) January 31, 2022 continued on February 1, 2022;

i) February 17, 2022;

j) March 28, 2022.

Table 3 : Number of Board meetings and the attendance of Directors during FY 2021-22

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

* Attendance by videoconference.

$ Designated as Joint Managing Director of the Company with effect from April 1, 2022

** Appointed with effect from December 22, 2021.

@ Appointed with effect from September 15, 2021.

@@ Appointed with effect from November 1, 2021.

Resigned with effect from June 17, 2021.

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 presents 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 also provide direct access to the Chairman and members of the Audit Committee in exceptional cases. This policy has been uploaded on the website of the Company for effective circulation and implementation. The purpose of this policy is to establish procedures for 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 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. 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 and one Non-executive Director. During the year under review, post resignation of Ms. Shubhalakshmi Panse, Chairperson of the Audit Committee was changed from Ms. Shubhalakshmi Panse to Mr. Anant Talaulicar with effect from June 21, 2021. Mr. S. B. (Ravi) Pandit and Ms. Bhavna Doshi were inducted as members of the Audit Committee with effect from June 21, 2021 and February 1, 2022 respectively. 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:
   a) matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   b) changes, if any, in accounting policies and practices and reasons for the same;
   c) major accounting entries involving estimates based on the exercise of judgment by management;
   d) significant adjustments made in the financial statements arising out of audit findings;
   e) compliance with listing and other legal requirements relating to financial statements;
   f) disclosure of any related party transactions;
   g) modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the Company with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the Company, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

20. carrying out any other function as is mentioned in the terms of reference of the audit committee;
21. management discussion and analysis of financial condition and results of operations;
22. statement of significant related party transactions (as defined by the audit committee), submitted by management;
23. management letters / letters of internal control weaknesses issued by the statutory auditors;
24. internal audit reports relating to internal control weaknesses;
25. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
26. reviewing the utilization of loans and/or advances from investment by the holding company in the subsidiary exceeding ₹ 100 Crores 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;
27. statement of deviations:
    a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
    b) annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7).
28. approval or any subsequent modification of transactions of the company with related parties.
29. 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 2021-22, the Audit Committee met four times i.e. on April 27 & 28, 2021, July 23, 2021, October 29, 2021 and January 31 & February 1, 2022. The details of meetings and attendance are given in Table 4.

Table 4: Audit Committee - meetings and attendance

Sr. No.	Name of the Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	Mr. Anant Talaulicar-Chairman (w.e.f. June 21, 2021)	4	4
2	Mr. BVR Subbu	4	3
3	Ms. Bhavna Doshi (w.e.f. February 1, 2022)	NA	NA
4	Mr. S. B. (Ravi) Pandit (w.e.f. June 21, 2021)	3	3
5	Ms. Shubhalakshmi Panse – Chairperson (upto June 15, 2021)	1	1

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, post resignation of Ms. Shubhalakshmi Panse, Prof. Alberto Luigi Sangiovanni Vincentelli was inducted as member of the Nomination and Remuneration (HR) Committee with effect from February 1, 2022. Mr. Anant Talaulicar continues as the Chairman and Mr. B V R Subbu & Mr. S. B. (Ravi) Pandit continues 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. consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider 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 2021-22, the Nomination and Remuneration (HR) Committee met seven times i.e. on April 27, 2021, June 21, 2021, July 23, 2021, October 29, 2021, December 22, 2021, January 31, 2022 and March 28, 2022. 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 the Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	Mr. Anant Talaulicar - Chairman	7	7
2	Mr. BVR Subbu	7	5
3	Prof. Alberto Luigi Sangiovanni Vincentelli (w.e.f. February 1, 2022)	1	1
4	Mr. S. B. (Ravi) Pandit	7	7
5	Ms. Shubhalakshmi Panse (upto June 15, 2021)	1	1

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 2021-22, the Stakeholders Relationship Committee met two times i.e. on July 23, 2021 and January 31, 2022. The details of meetings and attendance are given in Table 6.

Table 6: Stakeholders Relationship Committee - meetings and attendance

Sr. No.	Name of the Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	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. Mr. Anant Talaulicar is the Chairman of the Committee. Mr. S. B. (Ravi) Pandit and Mr. Sachin Tikekar are the other members of the Committee.

Role and objectives

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

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 2021-22, the Corporate Social Responsibility (CSR) Committee met Two times i.e. on April 27, 2021 and October 29, 2021. 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 the 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	2	2

E. Enterprise Risk Management Committee

Composition

The Enterprise Risk Management Committee consists of three Independent Directors and one Non-executive Director. During the year under review, post resignation of Ms. Shubhalakshmi Panse, Mr. Anant Talaulicar was elected as Chairman and Mr. S. B. (Ravi) Pandit was inducted as member of the Enterprise Risk Management Committee with effect from June 21, 2021. Subsequently on February 1, 2022 Mr. S. B. (Ravi) Pandit was elected as Chairman and Ms. Bhavna Doshi was inducted as member of the Committee and Mr. Anant Talaulicar become other member of the Committee along with and Mr. B V R Subbu. 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 2021-22, the Enterprise Risk Management Committee met three times i.e. on April 27, 2021, July 23, 2021 and October 29, 2021. The details of meetings and attendance are given in Table 8.

Table 8: Enterprise Risk Management Committee – meetings and attendance

Sr. No.	Name of the Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	Mr. S. B. (Ravi) Pandit – Chairman (w.e.f. February 1, 2022)	2	2
2	Mr. B V R Subbu	3	2
3	Mr. Anant Talaulicar	3	3
4	Ms. Bhavna Doshi (w.e.f. February 1, 2022)	NA	NA
5	Ms. Shubhalakshmi Panse – Chairperson (upto June 15, 2021)	1	1

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;
- Compliances by subsidiaries with all applicable laws of that country.

KPIT Technologies Inc. and KPIT Technologies (UK) Limited, are the Material Subsidiaries of the Company for FY 2021-22. The Company has complied with all the legal requirements in respect of the Material Subsidiaries.

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)

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, 2022. 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

B S R & 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:

(Amount in ₹ million)

Particulars	Amount
Audit Fees – Standalone and Consolidated	5.40
Audit Fees - Limited review quarterly	2.10
Fees for other Services	0.56
Total	**8.06**

D. Remuneration of Directors

Within the limits prescribed under the Companies Act, 2013, the Nomination and Remuneration (HR) Committee determines and recommends to the Company's Board the remuneration payable to Executive and Non-Executive Directors and thereafter, the Board and shareholders consider the same for approval. During the year under review, no ESOPs were granted to the Directors. 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 2021-22.

(₹ in million)

Name of Director/ Remuneration Details	Mr. Kishor Patil@	Mr. Sachin Tikekar#	Mr. Anup Sable*$
	CEO & Managing Director	**President & Joint Managing Director**	**CTO & Whole-time Director**
Salary	12.11	12.97	2.55
PF	1.51	1.09	0.08
Leave Encashment	-	-	-
Variable Performance Incentive	32.81	28.91	-
Perquisites	-	-	-
Bonus	-	-	-
Notice Period	6 Months	6 Months	6 Months
Severance fees	Notice Pay	Notice Pay	Notice Pay
Total	**46.43**	**42.97**	**2.63**

@Does not include ₹ 10,000/- paid to Mr. Kishor Patil towards sitting fees by PathPartner Technology Private Limited, during FY 2021-22.

#Does not include USD 4,800/- paid to Mr. Sachin Tikekar by KPIT Technologies Inc., USA, during FY 2021-22.

**Does not include ₹ 5,000/- paid to Mr. Anup Sable towards sitting fees by PathPartner Technology Private Limited, during FY 2021-22.*

$ Remuneration paid to Mr. Anup Sable is for part of the financial year i.e. from the date of appointment (December 22, 2021 to March 31, 2022).

Note:

1. *Managerial remuneration excludes provision for gratuity, as 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 Director), 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 ₹ 24.32 million (previous year ₹ 14.15 million) to the Non-executive Directors of the Company for the financial year 2021-22. There is no other remuneration to the Non-executive Independent Directors, except Commission. The details of remuneration to the Non-executive Independent Directors for the financial year 2021-22 are given in Table 10.

Table 10: Remuneration to Non-Executive Directors and Independent Directors

(Amount in ₹ million)

Name of Director	Commission	Sitting fees
Mr. S. B. (Ravi) Pandit	7.75	0.97
Mr. Anant Talaulicar	4.92	0.91
Mr. B V R Subbu	3.29	0.57
Prof. Alberto Sangiovanni Vincentelli	4.06	0.32
Dr. Nickhil Jakatdar	2.09	0.30
Ms. Bhavna Doshi	1.25	0.18
Prof. Rajiv Lal	0.47	0.06
Ms. Shubhalakshmi Panse	0.49	0.14
TOTAL	**24.32**	**3.45**

Basis for remuneration paid to Non-Executive Directors

Remuneration	Board Chairman	Board member	Committee Chairman	Committee member
Sitting Fees per meeting	₹ 48,000/-	₹ 30,000/-	₹ 40,000/-	₹ 25,000/-
Commission	The total amount of commission paid to the Non-executive Directors for FY 2021-22 is ₹ 24.32 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 have been no material financial and commercial transactions made by the management, where they had personal interest conflicting with the interest of the Company at large. 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 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. Shareholders

i) Disclosure regarding appointment or re-appointment of Directors

According to the provisions of the Companies Act, 2013, at least two-third of the Non-Independent Directors are liable to retire by rotation. One-third of the Directors who are liable to retire by rotation, retire at every Annual General Meeting and, if eligible and willing, may be re-appointed by the shareholders. Accordingly, Mr. S. B. (Ravi) Pandit retires at the ensuing annual general meeting of the Company and being eligible, offers himself for re-appointment. The Board has recommended his re-appointment. Detailed resume of Mr. S. B. (Ravi) Pandit is provided in '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, 2022, investor updates and other investor related information are posted on the Company's website (www.kpit.com).

The financial results relating to quarter and year end March 31, 2022 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 are also posted on the Company's website.

The details of correspondence received from the shareholders / investors during the period April 1, 2021 to March 31, 2022, 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
August 28, 2019 (2018-19)	"Vivanta Pune", Xion Complex, Hinjawadi Road, Hinjawadi, Pune, 411057	10.30 A.M.	-
September 2, 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.

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.

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 1, 2021 to March 31, 2022.

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 covers 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 a deep and thorough insight to 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.

Corporate Sustainability Report

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

Business Responsibility Report

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

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 as per the provisions of the Companies Act, 2013. The Company adheres by 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, 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, 2022.

Pune
July 26, 2022

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 13 September 2019 and addendum to the engagement letter dated 25 March 2022.
2. We have examined the compliance of conditions of Corporate Governance by KPIT Technologies Limited ("the Company"), for the year ended 31 March 2022, 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 the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to 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 31 March 2022.
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: 22113896AHWKOV49096

Place: Pune
Date: 27 April 2022

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, 2021 to March 31, 2022 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, 2021 to March 31, 2022 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, 2021 to March 31, 2022.

   (2) significant changes in accounting policies during the year and that 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 27, 2022

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 2022, 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.	Ms. Shubhalakshmi Aamod Panse*	02599310	16 January 2019
7.	Dr. Nickhil Harshavardhan Jakatdar	05139034	16 January 2019
8.	Prof. Alberto Luigi Sangiovanni Vincentelli	05260121	16 January 2019
9.	Ms. Bhavna Doshi	00400508	15 September 2021
10.	Prof. Rajiv Lal	09360601	01 November 2021
11.	Mr. Anup Sable	00940115	22 December 2021

** resigned w.e.f. 17 June 2021*

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.

Place: Pune
Date: 27 April 2022

Dr. K R Chandratre
FCS No. 1370, C P No: 5144
UDIN: F001370D000222008
Peer Review Certificate No.: 1206/2021

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company** : L74999PN2018PLC174192
2. **Name of the Company** : KPIT Technologies Limited
3. **Registered address** : Plot No. 17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Taluka - Mulshi, Hinjawadi, Pune-411057
4. **Website** : www.kpit.com
5. **E-mail ID** : grievances@kpit.com
6. **Financial Year reported** : 2021-22
7. **Sector(s) that the Company is engaged in (industrial activity code-wise)** : Architecture and Engineering Activities; Technical testing and analysis – Code 71
8. **List three key products/services that the Company manufactures/provides (as in balance sheet):**

   KPIT is an independent software integrator partner bringing scale and dependability to build and integrate software features to accelerate the journey from prototype to production to the mobility industry across all the vehicle domains. KPIT engages with Automotive OEMs and Tier1s across the vehicle product lifecycle and provides the following 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

   - Architecture Consulting
   - Feature Development
   - Software Integration
   - Middleware
   - Verification and Validation
   - Cloud-based solution
   - Simulation and Virtualization

9. **Total number of locations where business activity is undertaken by the Company (Major locations):**

   (a) Number of International Locations:

Sr. No.	Region	Country
1	USA	United States of America Brazil
2	Europe	United Kingdom Germany Netherlands Italy Sweden
3	APAC	China Japan Korea Singapore Thailand Vietnam

   (b) Number of National Locations:

   1. Pune, Maharashtra
   2. Bengaluru, Karnataka
   3. Kochi, Kerala

10. **Markets served by the Company – Local/State/National/International:** Company serves the Indian as well as international markets.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (INR)** – 2,741.43 million
2. **Total Turnover (INR)** – 11,809.88 million
3. **Total profit after taxes (INR)** – 2,381.20 million
4. **Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) (INR)** – The Company was required to spend ₹ 27.60 million towards Corporate Social Responsibility. During the year, the Company has spent ₹ 41.53 million towards Corporate Social Responsibility through external people, 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. In addition, the Company spent ₹ 7 million on account of usage of its internal resources on CSR, thereby aggregating to a total of ₹ 48.53 million.
5. **List of activities in which expenditure in 4 above has been incurred -**

   1. Water Conservation Program
   2. Conservation of Private Forests in Koyna-Chandoli Corridor
   3. Chhote Scientists
   4. KPIT Shodh Awards
   5. Teaching classes at Thayimane, Bengaluru
   6. KPIT Sparkle

7. Donation to Maharashtra State Lawn Tennis Association (MSLTA) & Pune Metropolitan District Tennis Association (PMDTA) for "Training & Development of Indian Tennis Players"
8. Economic Empowerment of women through skill training
9. COVID Care Center & COVID Combat

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/Companies?**

   Yes, the Company has the following subsidiaries:

Sr. No.	Name of Subsidiary	Nature
1	KPIT Technologies (UK) Limited	Wholly owned subsidiary
2	KPIT Technologies Netherlands B. V.	Wholly owned subsidiary
3	KPIT Technologies Holding Inc.	Wholly owned subsidiary
4	KPIT Technologias Ltda	Wholly owned subsidiary
5	KPIT (Shanghai) Software Technology Co. Limited	Wholly owned subsidiary
6	KPIT Technologies GK	Wholly owned subsidiary
7	KPIT Technologies Pte. Limited (Under strike-off)	Wholly owned subsidiary
8	KPIT Technologies GmbH	Subsidiary of KPIT Technologies (UK) Limited
9	ThaiGerTec Co., Limited	Subsidiary of KPIT Technologies (UK) Limited
10	MicroFuzzy Industrie-Elektronic GmbH	Subsidiary of KPIT Technologies GmbH
11	KPIT Technologies Inc.	Subsidiary of KPIT Technologies Holding Inc.
12	PathPartner Technology Private Limited	Subsidiary of KPIT Technologies Limited
13	PathPartner Technology Inc. (USA)	Wholly owned Subsidiary of PathPartner Technology Private Limited
14	PathPartner Technology GmbH,	Wholly owned Subsidiary of PathPartner Technology Private Limited

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

   Our responsibility practices and reporting are focused on India, our home ground. However, our subsidiaries share our vision and values and are responsible businesses.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]: No

SECTION D: BR INFORMATION

1. **Details of Director/Directors responsible for BR:**

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

   1. DIN: 02918460
   2. Name: Mr. Sachin Tikekar
   3. Designation: President & Joint Managing Director

   (b) Details of the BR head:

No.	Particulars	Details
1	DIN	02918460
2	Name	Mr. Sachin Tikekar
3	Designation	President & Joint Managing Director
4	Telephone number	+91 20 6770 6000
5	E-mail ID	grievances@kpit.com

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

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

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify? (50 words). These policies have been devised in confirmation to respective regulations/ national standards that come into effect from time to time. These policies are revisited on regular basis and are updated as and when there is any change in the norms.	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/appropriate Board Director? These policies are signed by the respective owners.	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Code of conduct & Whistler Blower Policy	Available on our intranet	Available on our intranet	CSR policy	POSH & Whistler Blower Policy	Available on our intranet	Available on our intranet	CSR Policy	Code of conduct
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

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

3. **Governance related to BR**

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

Annually

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

The Company publishes the Sustainability report yearly. The same is available on (https://www.kpit.com/company/investors/corporate-governance).

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

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

   No, it also covers the Subsidiary Companies.

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

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

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

   During the year, no complaint were registered with SEBI. The Company's code of conduct outlines and creates a set of values for all concerned people to behave in an ethical manner while working for and on behalf of the Company. It takes into account factors like regulatory compliance, equal employment opportunity, non-harassment & prevention of sexual harassment, prevention of use of alcohol, illegal drug or medication, use of company's, customers' and suppliers' resources and competition.

   It is applicable to all, Directors and employees (all KPIT managers and employees, including managers and employees of its divisions, subsidiaries and other affiliates worldwide, as well as agents and contractors working on behalf of the Company, its subsidiaries and affiliates). Prevention of Sexual Harassment (POSH) policy: The policy framework aims at educating employees on any sort of harassment (including sexual harassment) and report about it appropriately when seen or experienced at the workplace. All the cases are acted upon immediately and corrective actions are taken. E-learning on POSH has been mandated for all employees.

Principle 2

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

   KPIT works with global mobility and automotive companies which brings cleaner and greener vehicles to the market. In such engagements, KPIT provides software and technology solutions that help in reducing the environmental impact by reducing carbon emissions. Some examples are

   - Providing software, control algorithms and integration services for electric vehicles and components like Charger, DC-DC converter, Battery management software, battery packaging, inverter, and vehicle control unit.
   - Providing software and testing of solutions that help in the reduction of CO2 in gasoline and diesel engines.

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

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

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

   Increase in usage by consumers (energy, water) has been achieved since the previous year.

   In continuation to Pandemic conditions in year 21-22, compared to previous year there is Marginal increase in consumption of power by 18% as some of the employees have resumed office along with hardware. There is increase in water consumption around 44% compared to previous year as around 4 acres of land is covered under green belt with plantation of 1333 native trees, shrubs, and flowering plants and this has increased in freshwater requirements.

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

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

   Sustainable sourcing at KPIT represents contribution to the following areas namely: Waste Management, Water management, Energy conservation, Environment Awareness

   Water Management

   In continuation to last year employee consumption is more or less in same pattern.

   There in increase in freshwater consumption due to increase in plantation and getting 4 acres of land under green belt.

   Used water is treated through STP Plant and is recycled & used for Flushing and gardening purposes. Apart from recycling of water, drip irrigation system for internal garden, due to hill as backdrop rainwater and water run off through the hill is channelized through swell and stored in quarry having total storage capacity of approx. 90Lac Ltrs of water. Terrace water collection system is designed for efficient collection of water for rain harvesting to support ground water.

   Energy Conservation:

   Energy conservation has always been a focus of KPIT. HVAC consumes around 50% of energy, hence focus was on HVAC operations.

   Low occupancy in office due to Pandemic situation new process and practices were implemented such as AC temperature settings, monitoring of AC system w.r.t to occupancy, cross ventilation etc., Max air changes etc. Having efficient HVAC VRF system gives more efficiency and flexibility to control smaller areas as per operational requirement.

   E-waste Management:

   Being an IT Company, we generate e-waste like laptops, computers, monitors, servers, etc. Apart from this we also generate electrical waste like wires etc.

   We have a waste management policy in place, which is the defining guideline for handling all types of waste and complying with the Government and Maharashtra Pollution Control Board (MPCB) norms.

Hazardous Waste:

Hazardous waste is disposed through authorized agencies as per the guidelines of Ministry of Environment and Forests (MoEF).

Additionally, all the used printer cartridges are sent back to OEM to ensure proper recycling.

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

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

   The COVID-19 pandemic has given a major financial setback, especially for families from economically weaker sections of society. Generally, women from these sections earn income to run their families through work that includes being a domestic help, construction laborers, etc. Some of them have lost their earnings during the lockdown. KPIT Technologies partnered with Maharshi Karve Stree Shikshan Samstha (MKSSS), Pune to empower these women by providing skill training and creating employment opportunities for them. This was a community outreach program through which women from Yerwada and Vishrantwadi slum areas were trained on tailoring skills to support their livelihood. First batch of 80 women completed the course and started their earnings.

   Every year on the occasion of World Environment Day, Diwali and Christmas celebrations at KPIT Pune & Bengaluru offices, we used to invite different NGOs to setup stalls and showcase their products. NGOs were benefitted by selling their products at the stalls. But this year, due to COVID-19 pandemic, we couldn't organize such stalls as everyone was working from home. As the offices are started resuming from April 2022, we are planning to invite women from MKSSS to setup the stalls during the festivals.

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

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

   - Sewage Water received at STP plant, is treated and used for flushing and gardening purpose. We have treated around 9186 Cu.M3 of water and reused in last year.
   - Recyclable waste such as paper, plastic, corrugated sheet, metal etc. are sent through authorized scrap dealer.
     In the year 2021-22, we have disposed around 1,980 Kg of recyclable waste.
     Other mixed dry waste and used tissue paper is sent to PMC waste collection center.
     This is being carried out by organization known as Swach and other authorized agency.
   - As per MPCB rules, Hazardous waste and e-waste is to be disposed through authorized recycler.
     There has been no disposing of any e-waste and Hazardous waste, nor any disposal of printer and toner cartridges in the year 2021-22.

Principle 3

1. Please indicate the total number of employees.

   7553

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

   855 @ 11%.

3. Please indicate the number of permanent women employees.

   2234 @ 30%

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

   Less than 1%.

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

   No.

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

   Not applicable.

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

No complaints were received relating to child labour, forced labour, involuntary labour, sexual harassment during the year

8. What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?
   - Percentage of Permanent Employees Undergone Training in year 2021 - 22 : 50.07%
   - Percentage of Permanent Female Employees Undergone Training in year 2021 – 22 : 15%
   - Percentage of Non - Permanent Employees Undergone Training in year 2021 - 22 : 0.78%.
   - Employees with Disabilities: We don't maintain the data of employees with special abilities separately. They have equal participation as other employees in all types of trainings

GENESIS:

GENESIS is KPIT's flagship graduate engineering training program for all new joiners which was started in 2014. It is conducted in online and offline mode. A major part of the Genesis program will be conducted in the first three months of joining KPIT. However, the remaining modules of the Genesis program would be conducted in an extended manner over the succeeding nine months. This engagement would largely be in the self-learning mode. This training program is mandatory for all BE/BTech/Diploma/BSC/BCS freshers.

Approximately 500 to 600 hours which includes online / classroom lectures, activities, milestone-submissions, and assessments. These hours are merely indicative and will depend on business-requirements.

In 2021, we trained 1000+ freshers in Communication, Behavioral , Process and three fungible blocks i.e., C & Embedded C , Model Based Design , CPP with OOPS basis on the business requirements.

Along with that we launched KPIT Nova - ADVANCED initiative wherein the freshers undergo the Genesis training in their eighth semester followed with Business Incubation. We had a batch of 956 freshers' part of KPIT Nova - ADVANCED batch who were trained under the three fungible blocks i.e., C & Embedded C, Model Based Design, CPP with OOPS.

What is KPIT Nova?

It's a program to collaborate across students, academia and industry for creation of competent Automotive Software Engineers in various domains related to Mobility and catapult the nation on the global stage in this niche field

KPIT Nova:

Aims to contribute towards the skill component of competency building of college-going students by providing the infrastructure and processes for their frequent skill-training in multiple tracks of Automotive Software Engineering.

Activities in KPIT Nova:

The objective of skill-building is achieved over an extended period by continually focusing on the following three tracks.

– Object-Oriented Programming (OOP) with C++

– Embedded Systems and C Programming

– Model-Based Design with MATLAB® / Simulink®

Apart from these, students get exposed to the following activities that shall upgrade their skill set:

- Monthly challenges
- Gamification for skill building
- Learning from industry experts
- Hackathons
- Internship opportunities with KPIT
- KPIT'S ab-initio training program for its freshers: Genesis

This will eventually open doors for top performers to join live projects, post recruitment at KPIT.

KPIT Nova - Foundation:

Eligibility:

Students of the 5th and 6th semesters from all branches of engineering can participate.

- Based on the proficiency of students, colleges can carry out their respective selection processes which can provide long term success for students as well as the program.

Semester 5

Students of the 5th and 6th semesters from all branches of engineering can participate.

- Certified Training-Module 1
- Weekly/Monthly contests
- Grand contest at the end of the semester
- Gamification of skill-building experience

Semester 6

- Certified training-Module 2
- Weekly/Monthly contests
- Grand contest at the end of the semester
- Gamification of skill-building experience

KPIT Nova - Foundation Initiatives:

- On 1st April 2022, KPIT Nova - Foundation program skill building activity got commenced. In the skill building activity, students will get weekly challenges in all the three tracks
- KPIT Nova - Foundation Video Lectures are available for students on the portal
- Launch of Faculty sabbatical (July 2022 plan) which will ensure to identify the passionate and enthusiastic faculty for the program who are keen on learning industry practices
- We would have KPIT expert connect where specialists from KPIT will deliver lectures to motivate the faculty and the student community

KPIT Nova - ADVANCED:

KPIT Nova program aims to contribute towards the skill component of competency -building of college-going students by providing the infrastructure and processes for their frequent skill-training in multiple tracks of Automotive Software Engineering. By providing an exposure to emerging applications in the automotive industry, KPIT Nova program aims to provide opportunities of R&D to the faculty-members. By leveraging upon the outreach with the students and faculty-members, KPIT Nova program aims to progress towards long-term strategic collaborations with the respective Partner-Institutes.

Once students pass the campus selection stage, they will be eligible for Stage 3 which is the KPIT Nova - Advanced stage. This would span over 7^{th} and 8^{th} semesters.

SEVENTH SEMESTER:

- CERTIFIED TRAINING - III – Genesis Training
- Weekly / Monthly Contests
- Grand Contest at the end of Semester
- Gamification of Skill building experience

EIGHTH SEMESTER:

- Exposure to the automotive domain
- Focus on zero-defect delivery > Adaptation to KPIT's culture of excellence
- Internship, with direct exposure to the KPIT project environment

In 2021, we launched the first KPIT Nova - ADVANCED batch wherein 956 freshers underwent the Genesis training in their seventh semester. This initiative is to make the freshers project ready and be immediately productive once they join as a Full-time employee.

HIGHER EDUCATION INITIATIVE:

Learning is an incessant process and KPIT truly believes in creating a conducive learning environment for the employees. The Higher Education Initiative (HEI) at KPIT encourages KPIT Full Time Employees (FTE) for continuing education, leading to Master's Degree and Bachelor's Degree from reputed Indian and Overseas Universities. This is to enable employees to acquire higher professional knowledge in areas of their interest and/or those that align with the growing business needs of the organization, including Product Engineering, Information Technology, Management Education, and allied fields.

We offered two Master's programs, M Tech in Automotive Electronics and MBA in Strategic Engineering Management as part of which we launched 3 Cohorts covering 150+ employees. 130+ Employees have earned their Master's Degree so far. We have launched 2.0 of this Program in Sept 2021 as part of which we offer M.Tech in Automotive Software Engineering. For this newly revamped, 42 employees have already completed four modules and gained profound knowledge in various areas related to Automotive Software Engineering, Advanced Embedded Systems Design, and Ground Vehicle Dynamics.

We launched a new program for Bachelor's Degree program in Electronics and Communication for our diploma employees in Oct 2020. This program is aimed at providing an opportunity to complete their engineering degree while they work on their projects. This program has been designed in association with KLE-Tech University, Hubli, and the first cohort is in progress.

In addition to this, we are in discussion with a few more prominent Universities across the globe to provide a wide range of learning opportunities to the KPIT employees.

KPIT Sparkle 2022

KPIT Sparkle is an annual national design and development innovation contest for Engineering, Science and Design students. The competition is amongst India's most sought-after innovation platforms that support budding young innovators to develop indigenous solutions to real-world challenges in the energy and mobility sector. The platform nurtures, mentors and supports aspiring entrepreneurs and connects them with incubators in the ecosystem to transform their inventive ideas into viable products. It also encourages and facilitates students to secure intellectual property rights for their solutions.

KPIT Sparkle 2022 received more than 1300 ideas from over 15,000 students across more than 800 colleges in India. The top 24 teams presented working prototypes of their solutions at the grand finale held on 26 March 2022 at the Pimpri Chinchwad College of Engineering (PCCOE), Pune. Over the last eight years, KPIT Sparkle has received nearly 16,000 ideas from more than one lakh students nationally.

Dr. Abhay Jere, Chief Innovation Officer at Ministry of Education (Govt. of India), and Mrs. Lila Poonawalla, Chairperson of Lila Poonawalla Foundation (LPF), were the guest of honor and chief guest respectively, at the grand finale event.

Winners:

1. Team Elespa from Dr D.Y. Patil Institute of Technology, Pune, Sandip University, Nasik, College of Engineering Pune and Jayawantrao Sawant College of Engineering, Pune won the platinum award for INR 10 lakhs.
2. Team Kissan Connect from G. Balekundri Institute of Technology, Belgaum, won the gold award of INR 5 lakhs.
3. Team Electrophene from Sri Krishna College of Engineering and Technology, Coimbatore, won the silver award of INR 2.5 lakhs.

Campus Recruitment

Campus recruitment is an integral part of ECoDe. Objective of having exclusive campus recruitment team is to bring in focus in identifying young talent from the premier, tier 1 and tier 2 colleges across India. This year we have conducted hiring drives for hiring talents from BTech, Diploma, BCS – 2022 passing out batch. Overall, we had a great response from NOVA partnered colleges and open hiring drives and around 25000+ talents have registered for our process. Among these talents, 7000+ talents have appeared for our online assessments, i.e ESA-1 (aptitude test) and ESA-2 (technical round). Out of which around 950 BE talents and around 100 BCS + Diploma talents were selected for the requirement of FY 22-23. Also, we have conducted drive for talents who have cleared PG Diploma courses offered by C-DAC. These students appeared for an interview and around 150 talents were selected. This year we have opted for a new model for releasing the hired talents to the practices, which is they will undergo Genesis training (2.5 months) followed by Practice incubation (2.5 months) post which they shall be hired as a full-time employee. For VED practice, a separate gender diversity drive was conducted and around 50+ female candidates from mechanical and electrical engineering background were selected.

CONTINOUS EDUCATION:

ECoDe Calendarized Trainings:

To cater to the prerogative of lifelong learning, which is the need of the hour, this certification program looks at streamlining the certification and prowess honing skills across Technology, Project Management, Domains, Processes, Professional Skills and Leadership Development for employees globally at various experience levels. This allows them to move on to the next level in their career paths and helps them get cross-skilled and stay relevant.

Training on Demand:

To provide an opportunity for business leaders to raise a request for relevant training for themselves or their team members and provide a seamless time bound service. Training on Demand (ToD) system is a platform through which ECoDe can capture & service business/ project specific learning requirements raised by business swiftly in the EduOnline portal. Thereby, enhancing the overall learning experience.

FTM, PRGM and Agile CoE:

First Time Manager (FTM) certification is offered to associates who are currently playing the role of Project Lead, Project Manager, Sr. Project Manager and Program Manager. The FTM framework is well aligned with the international standard such as PMI PMP® and is completely hands on with a pragmatic approach in training delivery. PRGM Course is offered to Program Managers. To compete in the VUCA (Volatility, Uncertainty, Complexity & Ambiguity) world, companies must be highly agile and nimble. The Agile CoE aims at training, consulting, coaching and mentoring various projects and teams to be agile in their approach to deliver successful outcome to their customers. These programs have been developed with industry best practices and aligned to the core philosophy of agility.

Competency Development Framework:

With the aim of transforming KPIT into a competency-based organization, this initiative aims at providing clear growth path for the employees, build a culture of continuous learning based on competencies, objectively assess people's performance and drive project allocations to projects based on their competency. Each associate will go through a competency baseline exercise aligned with the appraisal cycle. This competency repository will be key to various business processes of the organization such as order to cash, project management, career growth, etc.

EDUONLINE:

KPIT EduOnline is an e-learning platform that offers interactive online courses for the employees. KPIT EduOnline allows the employees to access course content including videos, textbooks, and problems, and to check their progress in the course. The KPIT EduOnline platform also offers a forum for discussion and a wiki, accessible to both employees and course team members to contribute. For course team members, KPIT EduOnline includes an Instructor Dashboard, with options for employees to enroll, produce reports, and administer a course while it runs. One can access and use KPIT EduOnline directly through a browser. Employees can also raise ToD requests in the KPIT EduOnline portal.

Principle 4

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

   Yes. KPIT has mapped its internal and external shareholders and their mode of engagement is as below:

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

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

   Yes.

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

   Economic Empowerment of women through skill training, Pune & Bengaluru:

   With a primary goal to support the rural women who lost their employment due to the pandemic, KPIT Technologies partnered with Maharshi Karve Stree Shikshan Samstha (MKSSS), Pune and Swami Vivekananda Youth Movement (SVYM).

   MKSSS & SVYM provided a 10-months long rigorous training on "Patient Assistant Course". The course had special emphasis on inculcating empathetic and ethical behavior beyond the patient care. In the FY 2021-22, 43 candidates completed the course and all of them were placed in various hospitals.

   Anticipated outcome of this program is to have self-reliant women.

Principle 5

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

   Policy is applicable to all KPIT employees, as well as agents and contractors working on behalf of the Company, its subsidiaries and affiliates.

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

   NIL

Principle 6

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

   Policy covers the activities in KPIT Corporate office, Pune and does not extend to Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

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

   Yes, pls refer to the Sustainability Report 2021-22.(https://www.kpit.com/company/investors/corporate-governance).

3. Does the Company identify and assess potential environmental risks?

   Yes.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   Around 4 acres of land is dedicated for trees and covered under green belt with plantation of 1333 native trees. Increase in green belt area within campus, fruit bearing plants and 2786 shrubs. Impact found towards channelized Flow of water, nutrients, energy, birds, butterflies, small animals & also people continuity of the landscape beyond Seasonal change. Drip irrigation system is installed to optimize the water requirement. Goal is to reduce the irrigation water over next 4-5 years considerably.

   Most importantly the aim of this development is to create a very diverse and species rich clean environment, a carbon sink & oxygen zone for the health & happiness of employees. Yes, we file six monthly EC compliance report.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page, etc.

   Yes, please refer Question 1 & 5 of Principle 2 and Part iii of Question 3 of Principle 4 of this report. Sustainability link (https://www.kpit.com/company/investors/corporate-governance).

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   The emission and the waste generated at KPIT Corporate office, Pune is under the permissible limits of MPCB.

   We have a continuous monitoring and tracking system in place which is reviewed periodically and subsequently compliance is submitted.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   No, we have not received any show cause/legal notice from MPCB for financial year 2021-22.

Principle 7

1. Is your Company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:
   KPIT is an active contributing member in leading industry consortiums for defining the next-generation technical roadmaps for emerging technologies for future mobility. Few of the marquee consortiums are listed below:

   (a) CharIN – Charging Interface Initiative e. V.\

   (b) CCC –Connected Car Consortium

   (c) AVCC - Autonomous Vehicle Computing Consortium

   (d) ASAM - Association for Standardization of Automation and Measuring Systems

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration,

Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others).

- NASSCOM – (a) Governance and Administration (b) Economic Reforms (through NASSCOM ER&D Council)
- ACMA – NIL
- MCCIA – NIL

Principle 8

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

   Yes, please refer Question 3 of Principle 4 of this report.

2. Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organization?

   The initiatives are undertaken jointly with agencies and partner NGOs.

3. Have you done any impact assessment of your initiative?

   Every activity/initiative undertaken by the Company is assessed and its impact to the society is published in the Annual Report and the Sustainability Report.

4. What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken.

   For details, please refer CSR annexure which forms a part of this Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   Below are the examples of KPIT's successful CSR initiatives which were adopted by the communities:

   Water conservation:

   In FY 2012-13, KPIT in collaboration with Jnana Prabodhini, Pune started water conservation initiatives. In last 10 years, we implemented various projects in 35 villages. We made sure that **village committees are formed** in these villages to take care of the projects. Jnana Prabodhini volunteers **keep visiting these villages and conducts review meetings with the villagers.** In August 2021, we **did a survey** in all these villages to check the condition of these projects. We found that all of them are functioning and well maintained.

   In March 2022, Mr. Anup Sable, Board Member of KPIT inaugurated and handed over a drinking water well to villagers of Vatunde-Nigadimal in Dhangar Vasti, about 60 km from Pune. Construction of this well started last year. This project witnessed a unique three-way partnership. KPIT and the villagers contributed funds as well as hard work in realizing this achievement. The initiative was accomplished under the able guidance of Jnana Prabodhini, KPIT's NGO partner.

   KPIT SPARKLE:

   KPIT Sparkle successfully transformed from innovation contest to innovation platform. For this efforts KPIT Sparkle was accepted by both Incubation communities and various Government institutions.

   KPIT Sparkle 2022 was **privileged to be associated** with the Department of Science and Technology, Government of India; Ministry of New and Renewable Energy; ONGC Energy Center; National Institute of Design (NID); All India Council for Technical Education (AICTE); MathWorks as its knowledge partners.

   Contributing to the startup ecosystem of the country, **KPIT partnered with** the Nehru Group of Institutions Technology Business Incubator (NGI TBI); Centre for Innovation Incubation and Entrepreneurship (CIIE), IIM Ahmedabad; Bhau Institute of Innovation, Entrepreneurship and Leadership; Manipal University, Jaipur; TBI KEC Incubation Centre; Marathwada Accelerator for Growth and Incubation Council (MAGIC); International Institute of Information Technology, Hyderabad; Sandip Incubator Association; MIT TBI; iCreate; SINE, IIT Bombay to provide incubation opportunities to deserving ideas.

   KPIT Sparkle is in its eighth year of success and **collaborated with DANA Care Foundation (DCF)** as a CSR partner for the first time.

   These partners played a key role in making KPIT Sparkle a movement of innovation.

Afforestation Project:

In the state of Maharashtra, the Koyna-Chandoli corridor has been a host of KPIT's afforestation efforts in association with the Wildlife Research & Conservation Society (WRCS). Continuing our previous year's efforts, we aligned our afforestation activities with the onset of monsoon. Due to the COVID-19 pandemic, our volunteers have not been able to participile physically in the plantation activities this year. **With the help of local villagers and full-time activists of WRCS**, we planted a total of 3,000 saplings. With this, a cumulative of 48,900 saplings were planted in an area of 256 acres with an overall survival rate of 80 percent.

Principle 9

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year?

   NIL

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A/ Remarks (additional information).

   No

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

   No

4. Did your Company carry out any consumer survey/consumer satisfaction trends?

   Yes, we carry out 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. We also capture clients' voices, primarily qualitative, through one-on-one meetings between C-level executives of clients and KPIT.

ENTERPRISE RISK MANAGEMENT

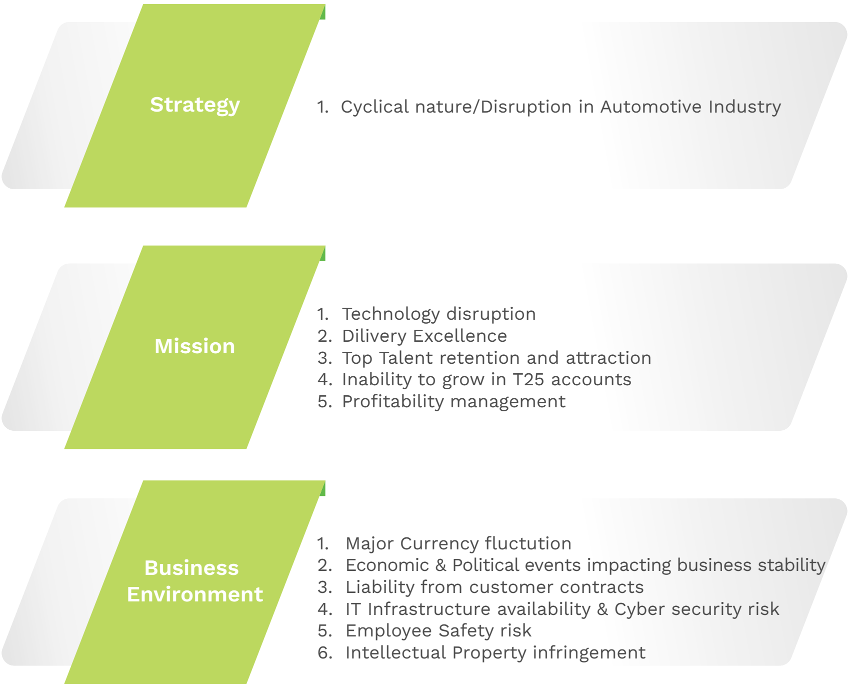
KPIT Technologies Limited (“The Company”) has a robust and structured Enterprise Risk Management (ERM) framework which helps in -

- 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



Summary of key risks

As business is recovering from impact of COVID 19, there is still possible risk of Wave 4 and risks related to Geo-political situations like war between Russia and Ukraine which may have impact on Company business and operations. We continue to monitor these risks and have measures in place to ensure safety of all employees and their families and also minimize the impact on business operations.

Based on annual review of business operations and risk exposure –

- “Intellectual Property infringement risk” is identified as a key risk
- “Ineffective capital management, liquidity & funding” risk is not considered as a key risk as The Company has healthy Net cash balance

Risk & Impact	Mitigation Plan
Cyclical nature / Disruption in Automotive Industry - 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.	Positioning as a Strategic software integrator. Deep engagement with identified strategic clients with senior level engagement and win in new software architecture programs of OEM. Exploring logistics as a service- Reassess offerings considering current business environment. Focusing on partnerships and alliances for specific skills/expertise. Monitor Automotive industry to have visibility in Automotive software market and trends.
Technology Disruption - Emergence of new Technology can create disruption in Company's business model.	Set up Practice Development Forum's to spot market trends and review development of new offerings. Set up Advisory boards with experts who have deep domain and industry knowledge from automotive industry across geographies. Engage with clients to identify relevant offerings from long term point of view. Assess new technology through industry conferences, competition, startup ecosystem. Semicon & Virtualization Initiative. Working on automated Test platform for Virtualization. Evaluate and implement Middleware strategy. Monitor impact of current semiconductor shortage on automotive industry.
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.	Further improve delivery framework and develop culture of excellence starting with zero defect delivery which will enhance client experience. Focus on Engineering productivity improvement and First time right deliverables. Multi-level reviews (MLR) system for review of project delivery and control, delivery planning and execution of client programs through delivery excellence program. Additional measures put in place to review & mitigate risks in highly complex projects. Tools & automation framework to further improve delivery excellence.
Top Talent retention & attraction - Ability to attract and retain talent, especially having competence in new technology areas in our key focus areas is key for the Company to maintain leadership in technology areas. Higher attrition may impact delivery and focus on growth opportunities.	Focus on controlling attrition of top talent. Focus on talent acquisition through referral hiring, retention and talent grooming with right competencies. Strategic collaboration with universities / Institutions in India as well as globally to bridge the gap between academics & industry needs with the Company created curriculum. Leadership development, Individual development plans and career planning for employees. Under competency management framework, Training programs are also conducted 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. Market leading increments, role specific intervention and salary correction for high attrition areas.

Risk & Impact	Mitigation Plan
Inability to grow in T25 clients – Inability to execute strategy will impact Company's growth.	Focus on select top OEM & Tier1 clients to drive its growth strategy. Position as Strategic software integrator. Prioritization of investments in select Clients. Build the strategy for disrupters. Client engagement transformation program to achieve desired positioning, build 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. Focus on increase in client wallet share. Collaboration across account management, subject matter experts, program managers & delivery managers to drive growth as well as build strong strategic relationship with top clients.
Profitability Management– 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 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. Increase in freshers to manage employee pyramid and average cost. Redefine operational model for growth environment. Investment to build additional capacity to fulfill growth, training and people investment to control attrition as well as hire key roles including strengthening market facing roles. Invest in tools & automation to further improve productivity & profitability.
Major Currency fluctuation – Significant currency fluctuations have an impact on Company's financial results. Rupee appreciation against major currency, in which the Company transacts will negatively impact The Company profitability.	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). The Company also looks for possibility of creating a natural hedge by having revenues and costs in same currency and explore financing options in multiple currencies where the Company can benefit from lower interest rates.
Economic & Political risk – The Company as well as its Clients have global footprint and are affected by economical & political events occurring across world. War between Russia and Ukraine and related uncertain events may have impact on business environment.	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 is also done on impact of such events on client's business and investments are realigned / planned based on new opportunities that are created based on changing business environment.

Risk & Impact	Mitigation Plan
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.	This risk is measured by risk on account of delayed project execution or defective deliveries or products, poor client satisfaction scores, long disputed outstanding or issues and any other aspect considered relevant for determining the possibility of claim. Risk mitigation is done by scrupulous review of client contracts, defining 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.
IT infrastructure availability & cyber security risk - IT infrastructure availability and security is key for our business and especially in situations like COVID 19. It is crucial to provide secured infrastructure to enable work from home for all the employees. Inability to provide the same may impact the Company operations.	Business Continuity Plan is in place and 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.
Employee safety risk - Employee safety is a crucial factor for the Company.	Periodical employee safety awareness programs are conducted. Comprehensive framework for employee safety in view of COVID-19 outbreak is put in place, in compliance with local laws at all its locations across countries. There is continuous review of the same to ensure adequate measures. Various measures are in place for employee safety like creating awareness related to social distancing, conducting webinars and ensure employee well-being with frequent communications with employees, Tele consultation by doctors, Contact tracing of all employees/ third-party staff, COVID test for the contacts who had exposure, quarantine for all cases and SOP followed for employees found positive, vaccination drives for employees and their family and work from home facility for maximum employees.
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. Establish IP Governance process to ensures right access and right use of KPIT IP, customer IP, partner IP, and third-party IP in service.

R&D ACTIVITY

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 extended for eCockpit test automation
- Platform was also extended for AUTOSAR and Diagnostic practices. Over 1500+ reusable test assets created
- Integrated multiple utilities for target tool migration
- Platform can now be used for covering use cases across different subsystems including Infotainment, AUTOSAR, Diagnostics

Virtual Platform

Virtual platform helps in implementing shift left methods with virtual ECU (Digital twin of real ECU) for electric powertrain component development and validation cycle. It helps to accelerate product development, reduce cost and time to market.

The Virtual Platform has enabled automated simulation comprising of build and test execution using library of components for selected configurations. The environment is further enhanced to represent Electric Powertrain (ePT) system comprising of various components in single simulated vehicle.

V Cycle Continuous Integration (CI), Continuous Deployment (CD) and Continuous Testing (CT) automation provides end to end automation capabilities. Reduces Time to market and provides capability to detect issues at early stages using Shift Left approach.

Platform enables adoption of Agile methodology for virtual ECU build, test execution. To achieve accelerated execution performance and scaling the components are simulated in a distributed private cloud environment.

Requirement Analyzer Tool

Requirements are considered to be the foundation of every project that sets a common basic understanding among all the stakeholders. Creating requirement document in a consistent and compliant manner is challenging. That's why International Council of System Engineers developed a common set of rules that every requirement document should follow to avoid any kind of misinterpretation. This ruleset contains 43 different rules. It takes significant times for a system engineer to review and update the requirement, it also increase the probability of manual errors.

Requirement analysis tool analyses each requirement document thoroughly and cross check their validity by using advanced deep learning and natural language processing tools. It highlights different errors and ambiguities present in the document and allows authors means to fix these errors and ambiguities. Tool can be easily configured as per organization's requirements standards.

The key features include:

1. Reduction in review and update time on requirements
2. Checks for domain ontology
3. Increase the quality of documents
4. Reduce the manual errors
5. Quality check based on INCOSE-41 rulesets

Software Characterization for virtual ECU

Software characterization for virtual ECU enables software developers to do performance evaluation of complex embedded applications. At KPIT we have explored software characterization for ARM core hardware in QEMU virtualizer. Software characterization helps in avoiding time compliance issue at different development stages (Task development, Feature addition, Integration level).

Domain wise breakup of all patents filed:

- Automotive (ADAS) – 18
- Fuel cell- 4
- Energy-3
- Autonomous Vehicle - 3
- Others (BMS, Hybrid, Infotainment, Autosar, Diagnostics, etc.)- 17
- Total patents filed in this FY- 4 patents (2 complete applications and 2 provisional applications)
- Total no. of patents granted in this FY- 4

Patent Description (Filed):

Patent title	Application Type	Description
System and method for determining a trajectory for a host device	Complete application	A system implemented in a host vehicle for determining a trajectory of host vehicle in at least one of a straight path or a curved path. The system includes an input unit having sensors mounted on host vehicle; a processing unit comprising a processor configured to: initiate a manoeuvre event; generate coordinates of an end point for the manoeuvre event; compute a normalized longitudinal and lateral distance from a start point of the host vehicle to at least one control point, upon calculating a cubic Bezier curve, to obtain a symmetric trajectory comprising minimum curvature, generate a command to provide a planned trajectory and to generate one or more instructions to corresponding one or more vehicle parameters of the host vehicle to perform the manoeuvre.
System and method for estimating state of health and remaining useful life of a battery	Complete application	The invention relates to a hybrid system and method for estimating the state of health (SOH) and remaining useful life (RUL) of Li-ion a battery of an electric vehicle. The system comprises sensors connected to the battery to monitor electrical attributes such as current, voltage, temperature, and CC-CV switch count of the battery. A first deep learning computing unit (DLCU) that receives the values of electrical attributes as input and correspondingly predicts the SOH of the battery. A second DLCU is operatively coupled to the sensors and the first DLCU, which receives the values of the monitored electrical attributes and the predicted SOH as input and correspondingly predicts the SOH of the battery. The first and second DLCU comprise an LSTM network configured with an attention mechanism. The system removes deviating and inconsistent inputs and considers only consistent values of electrical attributes for SOH and RUL prediction, thereby making the system accurate and reliable.
Novel liquid microbial consortia for biohydrogen generation and process thereof	Provisional application	The invention discloses a novel liquid microbial consortia for direct generation of biohydrogen by microbial degradation of lignocellulosic crop residues, and more particularly relates to a process for a two-step microbial degradation process for production of recoverable biohydrogen followed by generation of biomethane. The process of the present invention comprises of a feeder system, a soaking container for soaking of the lignocellulosic crop residues, which is then fed to a stage I reactor comprising a novel liquid microbial consortium which acts on the lignocellulosic crop residues and produces recoverable biohydrogen and then passing the digestate/co-metabolites from the Stage I reactor to a stage II reactor to produce biomethane, and a post bio methanation process/treatment. The biohydrogen and biomethane further undergo purification and enrichment to provide pure hydrogen and biomethane.

Patent title	Application Type	Description
A system and method for a self-cooling sodium-ion battery	Provisional application	The present invention relates to a battery technology, and in particular relates to a system and method for self-cooling sodium-ion battery. The system of the present invention comprises of a positive electrode, cathode, comprising of a NASICON family; a negative electrode, anode, comprising of a graphite and an electrolyte selected from ether family of solvents. The self-cooling composition of the sodium-ion battery of the present invention exhibits an endothermic discharging, i.e. heat is absorbed during discharging, causing the battery to cool down without any need of an external cooling mechanism.

Patent Description (Granted):

Patent No.	Country of Grant	Patent Title	Description
US 16252665	U.S.	System and method for detection of free parking space for a vehicle	A detection system implemented in a vehicle to detect free parking space is disclosed. The system comprises an input unit for imaging perspective view around the vehicle and a processing unit to receive a sequence of images from the at least one image sensor and detect at least one polygon pertaining to a parking slot in image of the sequence of images, transform the image into a bird’s-eye-view image using a homography matrix, detect quadrilateral pertaining to a parking slot, transform the bird’s-eye-view image comprising the quadrilateral, into corresponding image pertaining to perspective view around the vehicle using an inverse homography matrix, to analyse real world co-ordinates of the parking slot, and determine type of the parking slot by computing real world dimensions based on analysis of the real world co-ordinates of the parking slot.
US 11170588	U.S.	Autonomous system validation	Aspects of the present disclosure relates 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.

Patent No.	Country of Grant	Patent Title	Description
IN 385257	India	Retrofit system for converting a vehicle into one of a hybrid electric vehicle (HEV) and electric vehicle (EV)	A retrofit system for configuring a vehicle into a hybrid electric vehicle or electric vehicle is provided. The system consists an electric power source (EPS) having one or more motors to provide fail safe torque to the vehicle and harness braking energy for charging one or more batteries, one or more attachable electric power gear assemblies (EPGA) configured to couple the one or more motors to a propeller shaft for providing the torque to the vehicle, and an electronic control unit coupled to the electric power source (EPS) for dynamically controlling functioning of the one or more motors based on the running conditions to drive the vehicle. The motor controller actuates one or more motors based on the torque and power required to drive the vehicle.
KR 10-2016-7018982	South Korea	Vehicle detection system and method	The present invention describes a vehicle detection system and method for detecting one or more vehicles in a dynamic varying region of interest, ROI. The system comprises a scene recognition module, a road topology estimation module, and a vehicle detecting module. The scene recognition module is configured for receiving either high exposure image or low exposure image for identifying condition of one or more scenes in a dynamically varying region of interest. The road topology estimation module configured for receiving either high exposure image or low exposure image for determining at least one of a curve, slope and vanishing point of a road in the dynamically varying region of interest. The vehicle detecting module is coupled with the scene recognition module and road topology module for detecting one or more vehicles on the road at night time.

Technical Publications:

Paper Title	Conference	Domain
Multi-sensor Fusion-Based Object Detection Implemented on ROS	International Conference on Machine Learning and Autonomous Systems	Sensor Fusion
Design of Collision Free Automated Angular Parking	IEEE SPIN 2021	Angular Parking, Control
Trajectory Planning and Maneuver Control to Assist Lane Change	IEEE SPIN 2021	Trajectory Planning & Control, Automatic Lane Change
Vehicle Dynamics Modelling: Lateral and Longitudinal	IEEE SPIN 2021	Plant Modelling, Vehicle Dynamics
Vehicle Dynamics Modelling: Lateral and Longitudinal	IEEE SPIN 2021	Plant Modelling, Vehicle Dynamics
Adaptive Lateral Motion Control with Hybrid Approach	IEEE IRIA 2021	Lateral Motion, ADAS, Control
Architecture of an integrated Park-in and Park-out system	Hanser Automotive Magazine	AD- ADAS, Architecture

KPIT Sparkle 2022

In its 8th year, KPIT Sparkle is an umbrella platform that connects budding technology entrepreneurs with the incubation ecosystem. it provides the multidisciplinary outlook required to first-time student entrepreneurs.

We are proud to show the outcome of last eight years through the 4 success stories which have emerged as successful ventures.

Sucess Stories- Social Impact

Thermal Sulutions for Keeping food & perishables

Made In India Oxygen generator

EV rentals and hyperlocal transport using EV

Sand Bird-Autonomous Tractor

1. **Tan90 thermal Solutions Pvt. Ltd.**

   They have come up with a novel phase change material which is the core innovation. This is used in cooling agricultural produce as well as last mile logistics of perishable items.

2. **Sanjeevani Oxygen concentrators made in India**

   They have been able to successfully develop an Oxygen concentrator which helped the country during second wave of Covid-19. They have been successful in having a technology transfer to industries for manufacturing.

3. **DbyT Dynamics Mobility Solutions Pvt. Ltd.**

   They could come up with an online platform for rentals of electric bikes, 3Wheelers and Four wheelers by an Innovative business model where ownership issues are sorted for small and individual players in last mile logistics.

4. **Sandbird Research and Development Pvt. Ltd.**

   They have developed a semi-autonomous tractor which reduces the physical efforts of tilling the land by farmers using technology as an enabler.

KPIT Sparkle 2022 received more than 1300 ideas from over 15,000 students across more than 800 colleges in India. The top 24 teams presented working prototypes of their solutions at the grand finale held on Saturday, 26 March 2022 at the Pimpri Chinchwad College of Engineering (PCCOE), Pune. Over the last eight years, KPIT Sparkle has received nearly 16,000 ideas from more than one lakh students nationally.

The **8th edition** of KPIT Sparkle grand finale conducted in hybrid mode (4 days technology week + 1 day on ground event) with 2K+ live floating audience virtually. The Grand Finale was scheduled on 26th March 2022 at Pimpri Chinchwad College of Engineering, Pune.

KPIT Shodh Awards concluded its 3rd edition virtually along with Grand Finale of KPIT Sparkle.

Dr Abhay Jere, Chief Innovation Officer at Ministry of Education (Govt. of India), and Mrs. Lila Poonawalla, Chairperson of Lila Poonawalla Foundation (LPF), were the **Guest of honor** and **Chief guest** respectively, at the grand finale event.

Winners of KPIT Sparkle 2022:

Team Elespa, which was a joint project of Sandip University, Nasik; College of Engineering, Pune and Jayawantrao Sawant College of Engineering, Pune won the **Platinum Award of INR 10,00,000** for designing an advanced automated hybrid electric vehicle with a performance monitoring system which solves the problem of long battery charging times, range concerns, lack of charging stations and high initial cost.

Team Kissan Connect from S. G. Balekundri Institute of Technology, Belgaum won the **Gold Award of INR 5,00,000** for designing a multifunctional retrofit for EV tractors, which can integrate all the various attachments.

Team Electrophene from Sri Krishna College of Engineering and Technology, Coimbatore, won the **Silver Award of INR 2,50,000** for designing Hydrogen (in research), Fossil fuel and Electric based three fuel systems for two wheelers.

Team Modern Speed Breakers from NIT Agartala got the most popular award of **INR 1,00,000** selected through voting from pan India it received Votes from the total of 44k votes received on the online platform of KPIT Sparkle.

Team Blue Velocity was given the **Pat on the Back Award** for motivating teams and their guide to come up with innovative ideas from the far Northeastern part of the country.

Platinum Award-Team Elespa


Gold Award-Team Kissan Connect


Silver Award-Team Electrophene

Most Popular Award-Team Modern Speed Breakers


Pat on the back Award- Team Blue Velocity

This year we had **DANA India Technical Center** partner with us for the CSR. They have sponsored **awards** for recognizing **women leadership** in the competing teams in Finale.

Two teams won the **Abhinavi Awards** for the following innovation:

Team Unanimous4 from Jayawantrao Sawant College of Engineering, Pune won the Abhinavi1 Award and a cash prize of **INR 2,00,000** for designing a multipurpose agricultural Electric Vehicle that can perform agricultural tasks using AR/VR, ML/AI, IoT technologies.

Team Dravya from Pimpri Chinchwad College of Engineering, Pune won the Abhinavi2 Award and a cash prize of **INR 1,00,000** for designing a battery cooling system that uses dielectric fluid to reduce battery temperature instead of forced air cooling and indirect liquid cooling.

Abhinavi Award 1-Team Unanimous4

Abhinavi Award 2-Team Dravya

Incubation Partnership:

KPIT has transformed from a competition to a platform in association with Sparkle Incubation Centre. This year, KPIT partnered with the **AIC-Pinnacle Entrepreneurship Forum; International Institute of Information Technology, Hyderabad – Centre for Innovation and Entrepreneurship (CIE); Marathwada Accelerator for Growth and Incubation Council (MAGIC); Symbiosis Centre for Entrepreneurship and Innovation (SCEI); TBI@KEC; Bhau Institute of Innovation, Entrepreneurship and Leadership and iCreate** to provide incubation opportunities to deserving ideas.

CSR Partner

KPIT Sparkle is in its eighth year of success and is collaborating with DANA India technical centre as a CSR partner for the first time. DANA shares the same vision of promoting student entrepreneurship through experiential learning. The aim of this partnership is to find student innovators across India and educate them on the aspects of technology entrepreneurship in mobility and energy.

Knowledge partners

KPIT Sparkle 2022 was privileged to be associated with the **Department of Science and Technology, Government of India; Ministry of New and Renewable Energy; All India Council for Technical Education; Electronics Sector Skills Council of India (ESSCI); National Institute of Design, Triz Association of Asia, MathWorks; and Anna University** as its knowledge partners.
Cyber Physical Systems Partner: Dassault systèmes.

The following are the winners of the **KPIT Shodh Awards** in the below mentioned categories :

Green Energy Generation

– **Ravichandran Santosh** from Anna University won the **INR 1,00,000** as Award for the thesis Investigation of waste-heat powered humidification dehumidification system for production of freshwater from domestic wastewater.

Energy Storage

– Krishnakanth Sada from IISC Bangaluru has won **INR 1,00,000** as Award for the thesis Investigation on AxMn3O7 class of layered oxides as versatile battery cathodes: structure and electrochemistry

– Arnab Ghosh from Indian Institute of Bombay has also won **INR 1,00,000** as Award for the thesis Lithium-Sulfur Batteries in Pouch Cell Format for High-Energy Applications.

Fuel Cells

– Zahid Bhat from IISER, Pune has won **INR 1,00,000** as Award for the thesis Design and Development of Unconventional pH Differential Fuel Cells.

Best Poster Award –

First– Archana Choudhari from Symbiosis Institute of Technology, Pune has won INR 25,000 for the poster on Design & Development of Incremental Clustering Algorithm for Analysis of Smart Meter Data.

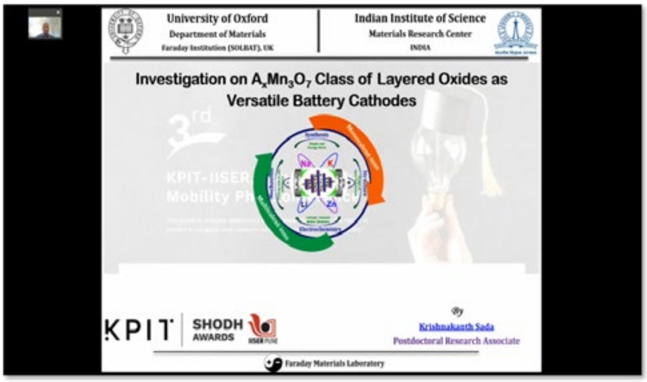
Second - Shubham Ghosh from Jawaharlal Nehru Centre for Advanced Scientific Research won INR 15,000 for the poster on Exploration of High Voltage NASICON Cathodes for Sodium-ion Batteries.

Third -Mainul Akhtar from Indian Institute of Technology Kharagpur, has won INR 10,000 for the poster on Lithium-ion Battery & Supercapacitor hybrid for high performance energy storage devices.

Green Energy Genaration

Title: Investigation of waste-heat powered humidification dehumidification system for production of freshwater from domestic wastewater

Energy Storage

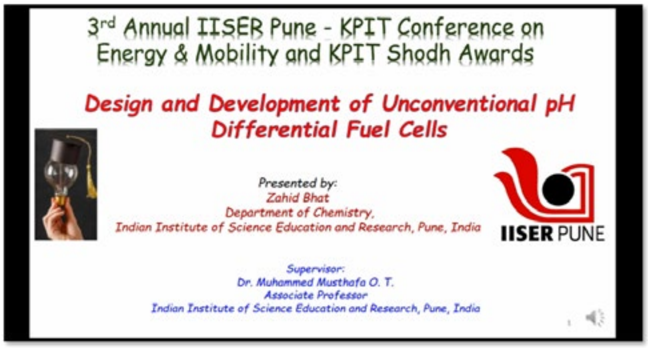


Title: Investigation on AxMn307 class of layered oxides as versatile battery cathodes: structure and electrochemistry

Energy Storage

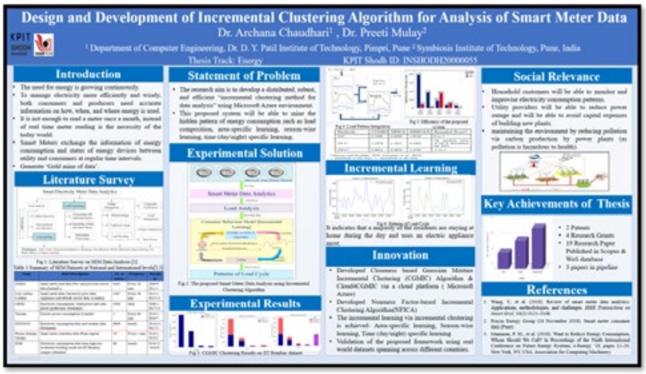
Title: Lithium-Sulfur batteries in Pouch Cell Format for High-Energy Applications.

Fuel Cells

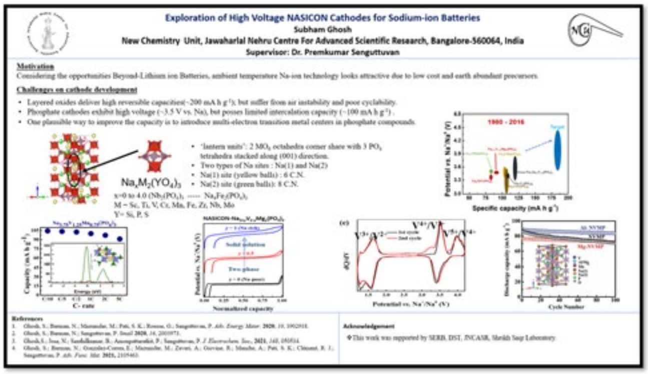


Title: Design and Development of Unconventional pH Differential Fuel Cells

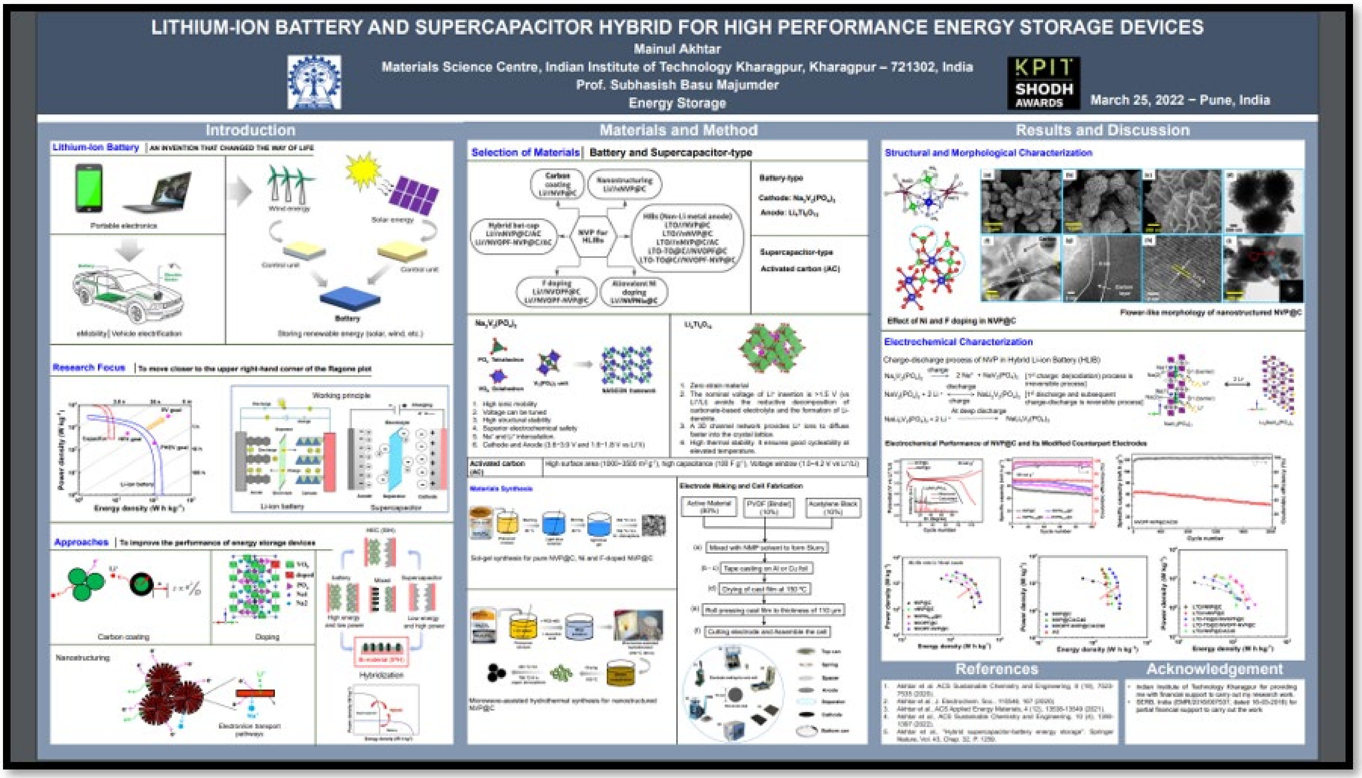
Best Poster Award



Title: Design & Development of Incremental Clustering Algorithm for Analysis of Smart Meter Data



Title: Exploration of High Voltage NASICON Cathodes for Sodium-ion Batteries



Title: Lithium-ion Battery & Supercapacitor hybrid for high performance energy storage devices

COMMUNITY INITIATIVES AT KPIT

Reimagining mobility with you for creation of a cleaner, smarter & safer world

KPIT has a CSR policy aimed at giving back to the society and strengthening its engagement with the community with consistent contribution towards a better world tomorrow.

We demonstrate this commitment across all the regions of KPIT's global presence. With the continuation of the pandemic situation across the globe, our current talent along with their respective family members participated in various CSR activities across our focus areas of education, environment, energy, and employee engagement.

FOCUS AREAS

ENVIRONMENT

Making this planet a better place to live in

EDUCATION

Transforming lives through science and technology education

ENERGY

Developing innovative solutions for efficient energy consumption and renewable supply

EMPLOYEE ENGAGEMENT

Maximizing impact through responsible volunteering

ENVIRONMENT

Environment Month At KPIT

Staying true to our commitment **towards a cleaner world,** we at KPIT observed Environment month and inspired all the KPITians to take steps towards environment protection from the comfort of their homes (considering COVID-19 restrictions) and by following eco-friendly practices.

Meet The Eco-Social Entrepreneur

The KPIT CSR team organized a talk on **'Upcycling for an Eco-Social Planet'** by Amita Deshpande, an alumnus of KPIT who worked for four years as a Business Analyst. Amita is now the founder of **reCharkha EcoSocial,** a Social Enterprise that works on conserving our environment and heritage, enabling rural livelihoods, and creating conscious consumers.

The session had an overwhelming response from KPITians and many of them have already begun **leading sustainable lifestyles.**

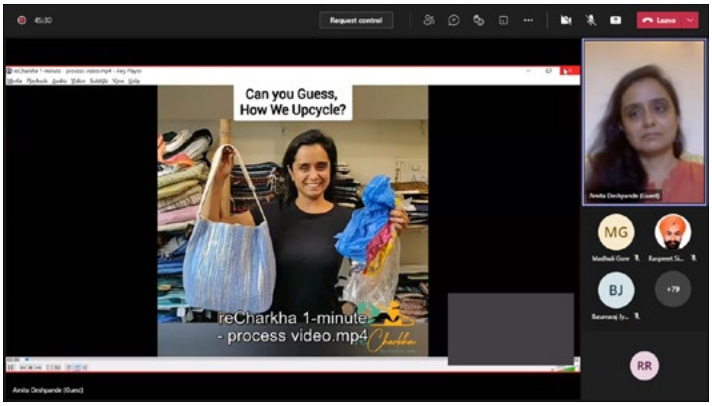


Figure 1: Amita Deshpande addressing KPIT employees on upcycling the plastics

Home Composting Workshop

The KPIT CSR team also organized a workshop on “Home Composting” by Amita Deshpande where KPITians learned the **natural ways** of recycling plants, leaves, grass clippings, twigs, fruits, and vegetable clippings into organic fertilizers. This workshop has helped participants grow their gardens and keep plants healthy **by conserving water, preventing runoff, and reducing greenhouse gas emissions.**

Figure 2: Amita Deshpande demonstrating the composting process to KPIT employees

Terrace Gardening Session

A workshop on terrace gardening was conducted by one of our very own KPITian, Shishir Sahay where the participants learned about **maintaining a terrace garden** with beautiful flowers, a handful of fresh vegetables, and fruits.

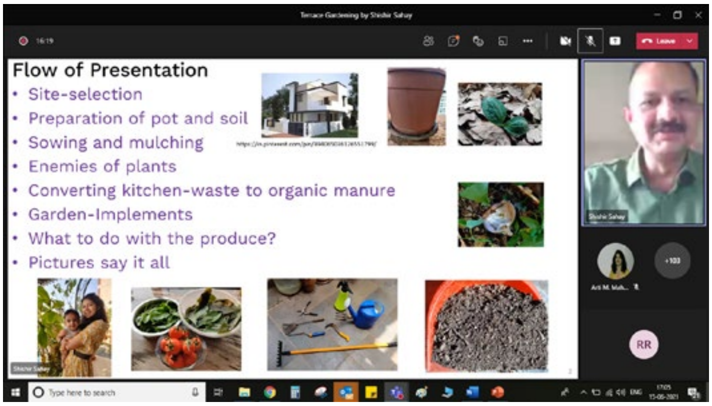


Figure 3: Shishir Sahay guiding the fellow KPITians on the Terrace Gardening

A Talk On Toxic Free Lifestyle

Another Insightful talk was held on 'Toxin-free lifestyle' by Shailaja Deshpande, the Founder-Director of **Jeevitnadi-Living River Foundation** (Pune based NGO).

Discussion was on the **hazardous chemicals** we use in our day-to-day lives and their effects on the **river ecosystem and our health.** Alternatives were also suggested for adopting a toxin-free lifestyle that will help revive our rivers.

Figure 4: Shailaja Deshpande addressing KPIT employees about toxins in our daily life

Well Inauguration By Anup Sable

Mr. Anup Sable, Board Member of KPIT inaugurated and handed over a **drinking water well to villagers of Vatunde-Nigadimal in Dhangar Vasti,** about 60 km from Pune. Construction of this well started last year.

This project witnessed a unique three-way partnership. KPIT and the villagers contributed funds as well as hard work in realizing this achievement. The initiative was accomplished under the able guidance of **Jnana Prabodhini,** KPIT's NGO partner.

Barring few months of monsoon before the construction of the well, the villagers of Vatunde-Nigadimal were **dependent on the water tankers or the water fetched from faraway places.** This well is created to **help about 100 beneficiaries.** Going forward, they shall no longer be required to fetch water from long distances and will always have **easy access to clean drinking water.**

Figure 5: Anup Sable inaugurating the drinking water well at Vatunde-Nigadimal village

Afforestation-Sapling Plantation And Nurturing At The Koyna-Chandoli Corridor, Pune

In the state of Maharashtra, the Koyna-Chandoli corridor has been a host of **KPIT's afforestation efforts in association with the Wildlife Research & Conservation Society** (WRCS). Continuing our previous year's efforts, we aligned our afforestation activities with the onset of monsoon. Due to the COVID-19 pandemic, our volunteers have not been able to participate physically in the plantation activities this year. With the help of local villagers and full-time activists of WRCS, we planted a total of 3000 saplings. With this, a cumulative of **48,900 saplings were planted in an area of 252 acres with an overall survival rate of 80 percent.**

Figure 6: Tree plantation by villagers at Koyna-Chandoli corridor

Afforestation-Sapling Plantation And Nurturing At The 14 Trees Foundation Vetale Village, Pune

With an ambitious goal of **transforming barren patches of land into sustainable forests,** KPIT collaborated with **14 Trees Foundation (14TF) and Ecological Society,** Pune 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 locals.** With the help of local villagers and full-time activists of 14TF, KPIT planted a total of 632 saplings.

Chairman's Visit To 14TF Vetale Village

Our Chairman, **Mr. S. B. (Ravi) Pandit** along with his family visited this project during monsoon. **He appreciated and encouraged efforts of 14TF team** towards protection of the environment and towards generating structured livelihood for the locals.

Figure 7: Tree plantation by Chairman Mr. S. B. (Ravi) Pandit at 14 Trees Foundation Vetale village

KPITians Contribution To The Plantation

To be part of this noble initiative, our employees also came forward and sponsored the trees. KPITians with their families visited the site and **planted the trees in their names and their family members.** The NGO has **tagged geo-locations to these trees** for the employees to track the growth of the trees.

Figure 8: Tree plantation by KPITians at 14 Trees Foundation Vetale village

Tree Plantation By KPIT Clients

KPIT has also inspired its clients to be part of the afforestation efforts. Supporting these efforts, KPIT along with a few **celebrated their work anniversaries** by planting the no. of trees equivalent to their years of partnership.

Figure 9: Tree plantation by KPIT Client teams at 14 Trees Foundation Vetale village

River Cleaning At Aundh, Pune

KPITians from the Pune office participated in the ongoing Mula river cleaning activity at Aundh in association with our NGO partner, **Jeevitnadi-Living River Foundation.** It was an early morning activity with a lot of hard but satisfying work. They **cleaned the riverbank, collected, and segregated garbage.** They also indulged in bird watching and observed nature to the fullest. Employees with their family members enjoyed the activity.

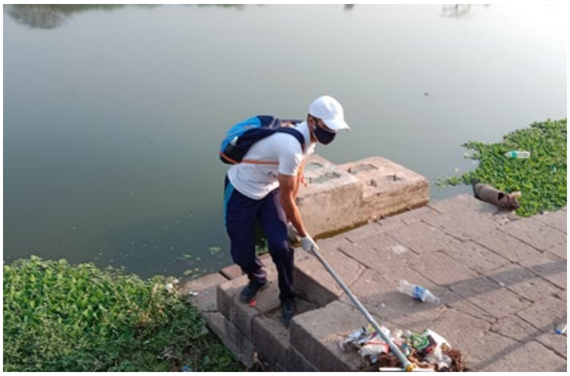


Figure 10: River cleaning by KPITians at Aundh, Pune

EDUCATION

Chhote Scientists

KPIT has always been at the forefront of various education initiatives.

“Chhote Scientists” is one such initiative **to kindle the love for science amongst school-going children with the help of easy-to-make & fun-to-learn scientific toys.**

This year, with the continuation of the COVID-19 pandemic impact on the education, we have continued “online teaching” that was designed last year during the pandemic. With the reopening of the schools in the last quarter of the year, we have shifted back to offline teaching by visiting the schools.

Program Details		
Total No.of Students (Maharashtra, Jharkhand, Karnataka, Assam & Nagaland)		13,181
Total No.of Schools (Maharashtra, Jharkhand, Karnataka, Assam & Nagaland)		145
Total No.of Sessions (Online + Offline)		812
Total No.of Themes		12
8th Grade	9th Grade	
Pressure	Laws of motion	
Magnetism	Energy	
Electricity	Electricity	
Heat	Acid Base & salts	
Light	Light	
Sound	Sound	

Figure 11: Chhote Scientists sessions conducted by KPITians

This year we decided to expand our program beyond just grade 8 and grade 9 and spread it over grades 5th to 7th. As a preliminary step, we taught them observation skills that help them in questioning and understanding science concepts in a better way. As a pilot, we conducted this new module of observation skills in 285 schools covering 14,250 students.

vSolve 2022

vSolve is an annual competition to conclude the Chhote Scientists program in the academic year. It was a great platform for the Chhote Scientists students. Students showcased their learnings and innovative solutions for the given problem statements.

This year the competition was organized online. Over 63 students from 21 schools had participated in this event. Students of 8th std were given the challenge to make equipment to remove mud from the water tank and for 9th std to create a poster presentation on problems and solutions to reduce noise pollution in their localities.

Students were given a day for the preparations. During the virtual assessment, students came up with excellent solutions.

Figure 12: Students demonstrating working models at vSolve 2022

KPIT Sparkle 2022

KPIT Sparkle is one of **India's biggest innovation platforms for Engineering, Science and Design students.** The platform's multidisciplinary outlook empowers tech enthusiasts to solve society's biggest challenges in creative ways through path-breaking innovations. So far, KPIT Sparkle has **nurtured and identified almost 50 patentable solutions,** many of which have been incubated by nodal agencies, such as NITI Aayog and DST. From ideas like the customized Diesel Oxidation Catalyst and Acoustic Energy Harvester, to Wind Turbine and Smart Helmets, KPIT Sparkle has kick-started many innovations that are now thriving as start-ups.

The 8th edition of KPIT Sparkle was conducted in **hybrid mode** this year. From 22nd March 2022 to 25th March 2022, it was a **virtual event in which experts from Energy & Mobility, and the finance domain, delivered insightful talks.** Technical webinars and panel discussions were also organized and well participated by the student community. **Demonstration and evaluation of ideas happened in person** on 26th March 2022 at the Pimpri Chinchwad College of Engineering (PCCOE), Pune and was also telecasted live, followed by the award ceremony.

This year KPIT Sparkle received more **than 1300 ideas from over 15,000 students across more than 800 colleges** in India. The top 24 shortlisted finalist teams presented working prototypes of their solutions at the grand finale.

Mrs. Lila Poonawalla, Chairperson of Lila Poonawalla Foundation (LPF) and Dr Abhay Jere, Chief Innovation Officer at Ministry of Education (Govt. of India), were the chief guest and special guest respectively, at the grand finale event.

The Winners

- Team Elespa which was a joint project of Sandip University, Nasik; College of Engineering, Pune and Jayawantrao Sawant College of Engineering, Pune won the Platinum award of INR 10,00,000 for designing an advanced automated hybrid electric vehicle with a performance monitoring system which solves the problem of long battery charging times, range concerns, lack of charging stations and high initial cost.
- Team Kissan Connect from S. G. Balekundri Institute of Technology, Belgaum won the Gold award of INR 5,00,000 for designing a multifunctional retrofit for EV tractors, which can integrate all the various attachments.
- Team Electrophene from Sri Krishna College of Engineering and Technology, Coimbatore, won the silver award of INR 2,50,000 for designing Hydrogen, Fossil fuel and Electric based, three fuel systems for two wheelers.

To empower women entrepreneurship, DANA Care Foundation (DCF) collaborated with KPIT Sparkle as a CSR Partner to recognize the Women Entrepreneur–Abhinavi Award. The two teams that won the Abhinavi Award for their ideas are as follows:

- Team Unanimous4 from Jayawantrao Sawant College of Engineering, Pune won the Abhinavi1 award and a cash prize of INR 2,00,000 for designing a multipurpose agricultural Electric Vehicle that can perform agricultural tasks using AR/VR, ML/AI, IoT technologies.

- Team Dravya from Pimpri Chinchwad College of Engineering, Pune won the Abhinavi2 award and a cash prize of INR 1,00,000 for designing a battery cooling system that uses dielectric fluid to reduce battery temperature instead of forced air cooling and indirect liquid cooling.

Incubation Opportunities

KPIT Sparkle has transformed from a competition to an innovation platform in association with various Incubation Centres. This year, KPIT partnered with the AIC-Pinnacle Entrepreneurship Forum; International Institute of Information Technology, Hyderabad-Centre for Innovation and Entrepreneurship (CIE); Marathwada Accelerator for Growth and Incubation Council (MAGIC); Symbiosis Centre for Entrepreneurship and Innovation (SCEI); TBI@ KEC; Bhau Institute of Innovation, Entrepreneurship and Leadership; iCreate to provide incubation opportunities to deserving ideas.

CSR Partner

KPIT Sparkle is in its eighth year of success and collaborated with DANA Care Foundation (DCF) as a CSR partner for the first time. DCA is a CSR implementing agency of Dana's Indian entities. Dana India is engaged in the business of manufacturing and supply of automotive products and components for Off-Highway and commercial vehicles including e-vehicles. Dana India share the same vision of promoting student entrepreneurship through experiential learning as that of KPIT. The aim of this partnership is to find student innovators across India and educate them on the aspects of technology entrepreneurship in mobility and energy.

Knowledge Partners

KPIT Sparkle 2022 was privileged to be associated with the Department of Science and Technology, Government of India; Ministry of New and Renewable Energy; All India Council for Technical Education; Electronics Sector Skills Council of India (ESSCI); National Institute of Design, Triz Association of Asia, MathWorks; and Anna University as its knowledge partners.

The Jury

The finalists were evaluated by a jury comprising national and international experts from the academic, business, automotive and technology fields, including Mr. A.S. Ravikumar, General Manager, Product Engineering at Daimler India Commercial Vehicles Pvt. Ltd.; Dr. Milind Rane, Chair Professor at IIT (Indian Institute of Technology, Bombay); Dr. D. Mohanlal, Professor at Anna University; Mr. Balkrishna Mahajan, CEO at Ticket Design; Dr. Siddharth Mukhopadhyay, Professor and H.O.D. Electrical Engineering Dept at IIT Kharagpur; Dr. Sanjeev Katti, Ex-Director General at ONGC Energy Centre; Dr. Somnath Sengupta, Professor at IIT Kharagpur; Mr. Anupam Jalote, CEO at iCreate; Mr. P.S. Kanan, Manager, at TBI Kongu Engineering College; Mr. Paul Sanjay, Technical Centre, Head of Engineering, Off-Highway Business Unit at DANA India Technical Centre; Mr. Shaji Verghese, Deputy CEO – SINE at IIT Bombay; Mr. Sunil Motwani, Country Head at MathWorks; Mr. Salim Huzefa, Director at Dassault Systems; Mr. Anurag Pandey, Professor at Anna University; Mr. Deepesh Gujrathi, Senior System Architect at KPIT; Dr. Padmakar Deshmukh, Head, Dept of Mechanical Engineering at PCCOE.

Figure 13: Glimpses of KPIT Sparkle 2022

KPIT Shodh Awards 2022

The Grand Finale of KPIT Shodh Awards – 3rd Annual IISER Pune - KPIT Energy & Mobility Ph.D. Conference was conducted in virtual mode along with KPIT Sparkle 2022 finale which was held on 25th March 2022. The conference began with the welcome address of Dr. Satish Ogale, Emeritus Professor, IISER-Pune followed by Keynote address by Dr. Ravindrasing Pardeshi, Principal, Ferguson College and a panel discussion on 'Achieving decarbonization by leveraging digitalization and decentralization'.

The contest attracted participation from 55 outstanding young Ph.D. researchers from various premier institutes like IITs, IISERs, NITs, and NCL and 30 thesis submission for best thesis award in the category of Energy storage, Energy Generation, Fuel Cell, ADAS for Automotive applications. During the virtual conference, 11 shortlisted finalists researchers presented their Ph.D. theses to a jury of esteemed technologists and scientists and got awarded for the "Best Thesis Award". Remaining all participants submitted their posters for the "Poster Awards".

The Winners

Four Ph.D. researchers bagged best thesis awards in the category of Energy storage, Green Energy Generation and Fuel Cell.

1. Ravichandran Santosh - Anna University, Chennai
2. Krishnakanth Sada- IISc Bangalore
3. Arnab Ghosh - Indian Institute of Technology Bombay
4. Zahid Bhat- Indian Institute of Science Education and Research Pune

Best Poster Awards Winners:

1. Archana Choudhari - SYMBIOSIS INSTITUTE OF TECHNOLOGY, Pune
2. Shubham Ghosh - Jawaharlal Nehru Centre for Advanced Scientific Research
3. Mainul Akhtar - Indian Institute of Technology Kharagpur

KPIT Nova

KPIT Nova is a collaboration between the industry and academia to create a strong intellectual resource to create future technology. It's a two-year program focused on vocational skill-building and making young engineers' industry-ready.

This program will have a focus on both theoretical knowledge and technical skills. This is highlighted by our focus on constant engagement, skill-building, and skill assessment. There are three areas in which skills will be developed, namely:

- Object-Oriented Programming (OOP) with C++
- Embedded Systems and C Programming
- Model-Based Design with MATLAB® / Simulink®

Through gamification, constant challenges, and more, the students hone their skills at a high level. This allows them to build their skills with expert guidance while they're still in college. They become industry-ready very early, can rack up experience through their internships, and are rewarded for hard work.

In its first year, KPIT Nova has started with 25 partner colleges of KPIT across India from that 8000+ students registered. These students will get exposure of 36hrs exclusive technology content which is curated by experts from KPIT. Along with video content, students will get opportunity to participate in various hackathons and coding challenges from next semester.

Indiana VEX Robotics State Championship, USA

This year the KPIT re-launched its CSR initiatives in a new structured format within KPIT, USA. The new KPIT USA CSR kick-started its activities through a volunteer program in Indiana.

KPITians volunteered in the 5th annual Indiana VEX Robotics State Championship organized by **TechPoint Foundation For Youth** (TPF4Y), USA. **Over 220 teams from elementary, middle, and high schools** across the state participated in the event.

This event was not only a good opportunity for KPIT families to come together, but also a wonderful opportunity for their **kids to get introduced to volunteering, robotics, and teamwork.**

It was overwhelming to see the enthusiastic participation of KPITians throughout the event. It felt like the whole competition resembled the spirit of KPIT.

Figure 14: KPITians volunteering at Indiana VEX Robotics State Championship, USA

EMPLOYEE ENGAGEMENT

Chiplun Flood Relief

In July 2021, after heavy rains triggered floods in Chiplun & Mahad towns of Maharashtra, people were stranded, had no access to basic necessities and were in immediate need of relief.

Considering the scale of the disaster, the KPIT CSR team organized an employee donation drive and purchased the relief material with the support of **Jankalyan Samiti** (Pune based NGO). Volunteers from the NGO visited flood-affected areas and **distributed food packets, drinking water, cleaning equipment to the stranded people.**

Figure 15: Packing and distribution of relief material at flood-affected areas

Diwali Greeting Cards For Soldiers

Our soldiers bring us all happiness, safety, and smiles at the cost of their lives, and we all are forever indebted to them. To showcase our gratitude towards our jawans, the **Making A Difference (M.A.D) Foundation organized a campaign called "Vande Mataram Diwali 2021: Desh Videsh Se Sainiko Ko Sandesh".**

Through this campaign, individuals were encouraged to convey their emotions and wishes for the armed forces in light of India's 75th year of Independence and the Diwali festival. KPIT employees with their family members have taken part in this activity and created handmade greeting cards.

M.A.D organization has handed over all the beautiful handmade **greeting cards to not only the soldiers across the country but their families as well.**

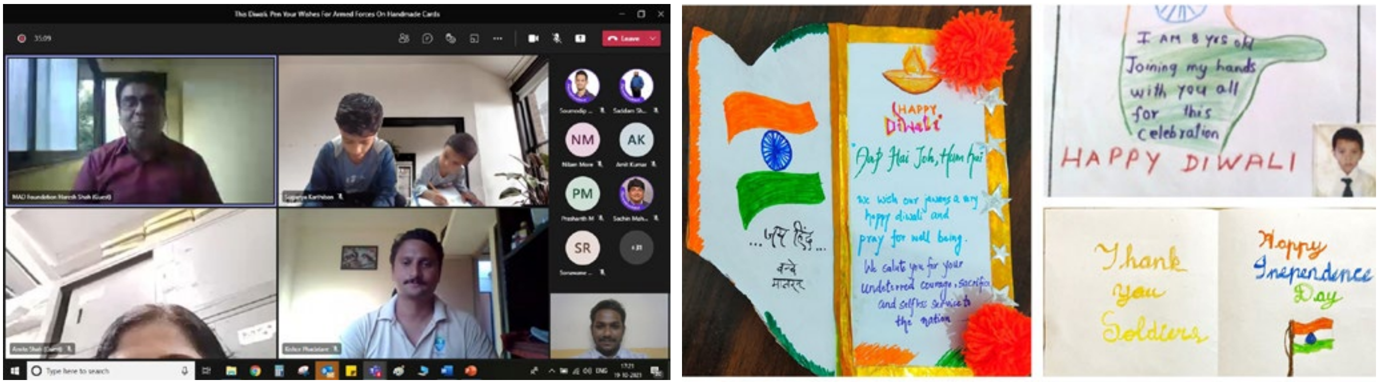


Figure 16: Children of KPIT employees creating beautiful handmade cards for soldiers

Toy Donation During Children's Carnival

The KPIT CSR team organized a donation drive to collect **toys, books, and other necessary items** during the Children's Carnival hosted for all KPITians and their families in Pune and Bangalore office locations. The event was a triumph amongst children and parents with 1000+ attendees. We received a great response to the drive and distributed all the donated items to the children at our partner organizations.

Figure 17: Children from shelter homes having wonderful playtime with the donated toys

Blood Donation Drive

The KPIT CSR team, in association with **Jankalyan Blood Bank, organized a blood donation awareness talk and a blood donation camp** at KPIT's Pune office. It was overwhelming to see the response from the KPITians who came forward for this noble initiative. It was great to witness SODEXO staff and the security teams participating in large numbers to donate blood.

Also, some **KPITians visited blood banks in Pune & Bangalore and donated blood.**

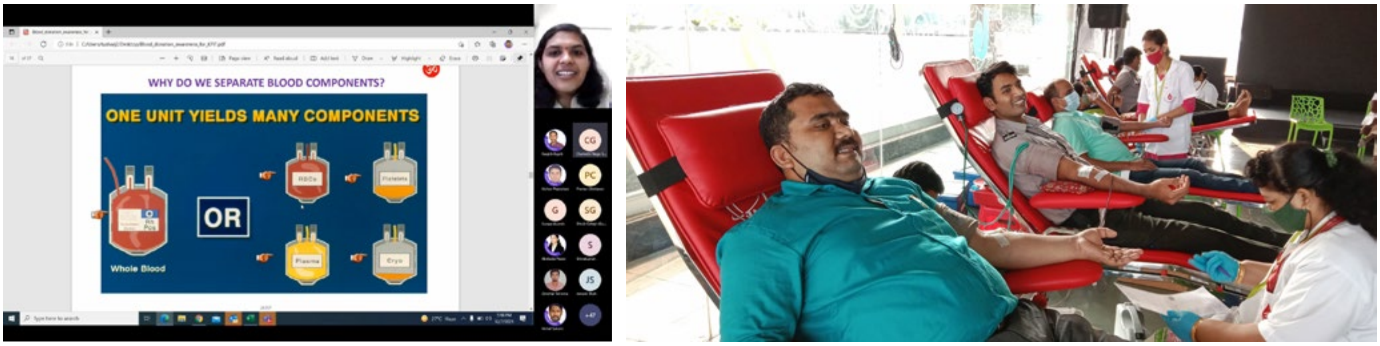


Figure 18: Blood donation camp at KPIT office, Pune

Mobility 5K run, USA

KPIT USA hosted Mobility 5K Run in Columbus, Indiana and Novi, Michigan. **KPITians and their families joined together** to enjoy a morning run and shared memories while supporting a worthy cause.

These participants **raised funds** for the United Way of SE Michigan and the United Way of Bartholomew Co, IN. KPIT matched the donations made by employees and their families.

Figure 19: KPIT employees with families in Mobility 5K run in the USA

Employee Volunteer Development & Capacity Building (VDCB) Program

Employee engagement is the core of KPIT's CSR. We always encourage individuals across the organization to devote a portion of their time and talent to support the community in resolving social challenges and making the world a better place.

KPIT in association with the partner NGO, **Youth For Seva,** Bengaluru has designed and launched a **10-month program** for the **Development and Capacity building of passion-driven KPIT/NGO volunteers.** This program had multiple sessions with various social changemakers. Participants had interacted and learned from the life experiences of these social icons. Topics included **Overview of NGOs & development sector, monitoring, evaluating, project reporting, fundraising methods, innovation in social space,** etc. This program has received an overwhelming response from the participants.

Figure 20: Informative talks on social sector by the eminent social changemakers

The Pune Platform for COVID-19 Response did exemplary work for COVID mitigation. Their work across Maharashtra and beyond, saved thousands of lives across the country. **KPIT has contributed a sum of 50 Lakhs rupees to this initiative.**

Figure 21: Donation of BiPAPs & Oxygen concentrators to the Divisional Commissioner of Pune

Re-launch of COVID-19 Care Center

As the situation got critical during the **2nd wave of COVID-19,** KPIT decided to re-launch its COVID Care Center with an increased capacity of a 600-bed facility in Pune.

The center was setup in **partnership of KPIT with the Pune Municipal Corporation, Jan Kalyan Samiti (Pune based NGO) & Sahyadri Hospital,** Pune. KPIT has provided financial support.

This facility was for the patients advised home quarantine but have **no space in their homes and for those from the weaker economic sections** of the society who couldn't afford the expenses of tests, sanitization, and medicines.

The center had many facilities like daily yoga sessions, hygiene care, medical care with nutritious food, and all these were **provided free of cost.** It also had a counseling center with eight resident doctors and two part-time doctors for continuous follow-ups. Young volunteers across Pune had volunteered to take care of admitted patients.

Figure 22: Re-launch of the COVID-19 care center in Pune

Sponsor A Student's Education

KPIT, in collaboration with **Seva Sahayog Foundation and Youth for Seva,** has supported the education of children who **lost one of their parents to COVID-19.**

This collaboration has helped these children pursue higher education by providing them with **scholarships and mentoring** from KPIT employees.

Figure 23: KPITians handing over the sponsorship amount to the children

Sponsor A Meal

The second wave of COVID was challenging for the daily wagers who got infected and quarantined. To lend a helping hand, KPITians in association with **Swami Vivekananda Youth Movement (SVYM)** came forward and organized 'Sponsor a Meal' campaign to provide **free meals to isolated patients.**

This initiative provided nutritious meals to the patients belonging to the marginalized and low-income segments of the society in Bengaluru and rural parts of Karnataka. This drive was also extended to the people with **physical disabilities and migrant laborers** who lost their livelihood due to the pandemic. This initiative received an overwhelming response from more than **250 KPITians and helped more than 4,500 individuals.**

Figure 24: Distribution of free meals to the COVID-19 affected families

COVID COMBAT

Donation Of BIPAPs And Oxygen Concentrators

On behalf of all the donors of PPCR (Pune Platform for COVID-19 Response) and MCCIA (Mahratta Chamber of Commerce, Industries and Agriculture, Pune), Mr. S. B. (Ravi) Pandit, Chairman and Co-founder, KPIT, and Mr. Pankaj Ballabh, Head of CSR, The Bajaj Group handed over a set of BiPAPs and Oxygen concentrators to the Divisional Commissioner of Pune, Shri Saurabh Rao.

Economic Empowerment of Women Through Skill Training, Pune

The COVID-19 pandemic has given a major financial setback, especially for families from economically weaker sections of society. Generally, women from these sections earn income to run their families through work that includes being a domestic help, construction laborers, etc. Some of them have lost their earnings during the lockdown.

KPIT Technologies partnered with **Maharshi Karve Stree Shikshan Samstha** (MKSSS), Pune to empower these women by **providing skill training and creating employment opportunities** for them. This was a community outreach program through which women from Yerwada and Vishrantwadi slum areas were trained on skills to support their livelihood.

The training program included a Patient Assistant course in which young women were taught how to take care of patients as well as elderly people. Anup sable, Board Member of KPIT handed over the course completion certificates to the first batch of **20 students who were placed in various hospitals in Pune.** During this occasion, he **also inaugurated the tailoring training center** which is going to train various batches of women.

Figure 25: Distribution of certificates and inauguration of tailoring center

Enhancing The Skill Of Rural & Tribal Community Through Vocational Training Programs, Bengaluru

With a primary goal to **support the rural women who lost their employment** due to the pandemic, KPIT Technologies partnered with **Swami Vivekananda Youth Movement** (SVYM) and provided training on **"General Duty Assistant-Healthcare"** to the residents of H D Kote, Nanjangud taluk of Mysore district of Karnataka.

It was a residential training program (90 Days) for a batch of 25 students. The course had special emphasis on inculcating empathetic and ethical behavior beyond the patient care. This program was affiliated with the National Skill Development Corporation (NSDC). After the completion of the training, **23 candidates out of 25 were placed in Ayushman health care center and other private healthcare institutions** in Mysuru.

Figure 26: General Duty Assistant-Healthcare Training Program in Mysore

Voices of Employee Volunteers

“Chhote Scientist”, is one of the best initiatives of KPIT CSR. This program gave me an opportunity to become a teacher and motivate children to become future Scientists of our Nation by sowing seeds of creativity since their childhood.

I also took part in other CSR initiatives and contribute for the betterment of the society in a small possible way.”

Kalpesh Mahajan, Software Engineer, KPIT Pune

"This is my first ever experience with Thayimane children for online yoga session. Spending time with children is always energetic. Students are quite excited to attend the class. Daily early morning sessions gives a booster start to my day and great break from my day-to-day office work. I would like to continue taking sessions. Thanks to KPIT CSR for making me part of such a wonderful journey.!"

Sanika Doke, Sr. Test Engineer, KPIT Bengaluru

Voices Of Beneficiaries

"Our village is located in a very remote area without any electricity and transportation facilities. We used to struggle to get water with no rains after Diwali. Every year during this period we had to shift with our cattle to another village for water.

With the construction of a new well by KPIT and Jnana Prabodhini, this year nobody migrated from the village. On behalf of my village, I would like to thank KPIT & Jnana Prabodhini for all the good work they did to our village."

Krishna Baban Cokare, Farmer, Vathunde village, Pune, Maharashtra

"I always used to adore nursing but could not do anything due to financial constraints. When I got to know about the Women Empowerment program by SVYM supported by KPIT, I immediately enrolled for it. I had completed the training and currently assigned to the Das Home Nursing Services. Now I am able to support my family and also my work is well received at the workplace."

Supritha C, GDA Student, HD Kote Taluk, Mysore, Karnataka

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 8, 2018
3	**Registration No./CIN**	:	L74999PN2018PLC174192
4	**Date, Time and Venue of 5th AGM**	:	August 24, 2022, 10.30 a.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**	:	August 17, 2022
6	**Dividend Payment Date**	:	After August 24, 2022, but within the statutory time limit of 30 days subject to shareholders approval.
7	**Financial Year**	:	April 01, 2021 - March 31, 2022.
8	**Financial Calendar for 2022-2023 (tentative and subject to change)**		
	Financial reporting for the first quarter ending June 30, 2022	:	July 25 & July 26, 2022
	Financial reporting for the second quarter ending September 30, 2022	:	October 18 & October 19, 2022
	Financial reporting for the third quarter ending December 31, 2022	:	January 31 & February 1, 2023
	Financial reporting for the last quarter and year ending March 31, 2023	:	April 25 & April 26, 2023
	Annual General Meeting for the year ending March 31, 2023	:	July/ August, 2023
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 2022-23 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 at:

KFin Technologies Limited (Formerly KFin Technologies Private Limited), Contact Person: Mr. S V Raju, Selenium Tower B, Plot no. 31 & 32, Gachibowli, Financial District Nanakramguda, Serilingampally, Hyderabad – 500032 Telangana. 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 Registrar & Share Transfer Agent, the details of which are given above. The documents are 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, 2022, 99.68% of the total issued share capital was held in electronic form with National Securities Depository Limited and Central Depository Services (India) Limited.

13. Shares allotted during the financial year ended March 31, 2022:

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 Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (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.

14. Shareholding Pattern as on March 31, 2022:

Category	No. of shares held	% of total share capital
Promoters & Promoters Companies	**109,952,171**	**40.11**
Public	**160,064,404**	**58.39**
Mutual Funds	25,967,531	9.47
Foreign Portfolio Investors	46,865,590	17.10
Bodies Corporate	8,568,206	3.13
Non-Resident Indian	4,274,782	1.56
Others	74,388,295	27.13
Non-Promoter – Non-Public	**4,127,233**	**1.51**
TOTAL	**274,143,808**	**100**

15. As on March 31, 2022, 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	88,861,500	32.41	Promoter
2	Mr. Kishor Patil	13,345,605	4.87	Promoter
3	Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund	8,559,837	3.12	Mutual Fund
4	Massachusetts Institute of Technology	8,522,617	3.11	Foreign Portfolio Investors (Corporate)
5	Auburn Limited	6,075,759	2.22	Foreign Portfolio Investors (Corporate)
6	KPIT Technologies Employees Welfare Trust	4,127,233	1.51	Non-Promoter-Non-Public
7	Franklin India Smaller Companies Fund	4,077,593	1.49	Mutual Fund
8	Marathon Edge India Fund I	4,046,784	1.48	Alternate Investment Fund
9	L and T Mutual Fund Trustee ltd-L and T tax Advantage fund	3,380,750	1.23	Mutual Fund
10	ICICI Prudential Life Insurance Company Limited	3,160,292	1.15	Qualified Institutional Buyer
	Total	**118,940,959**	**52.59%**	

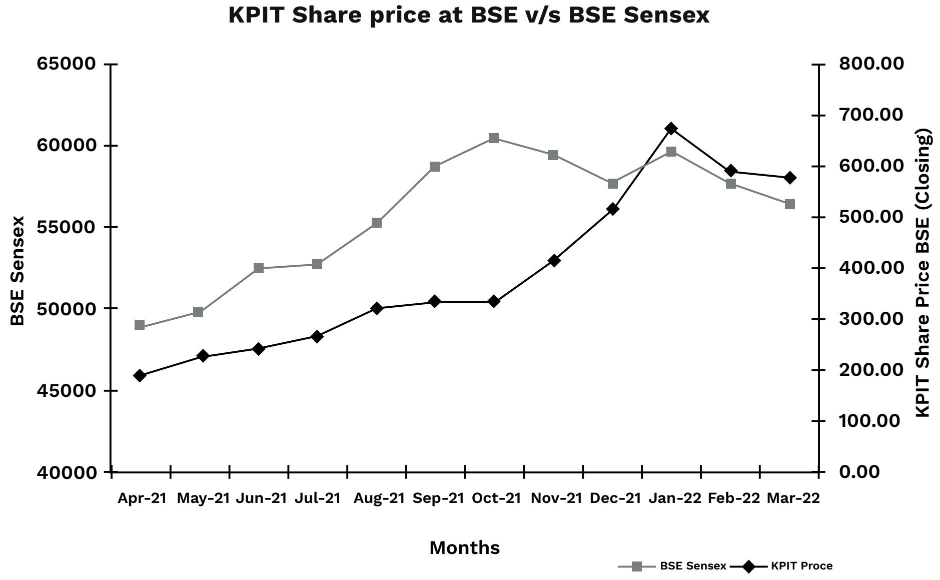
16. Distribution Schedule as on March 31, 2022:

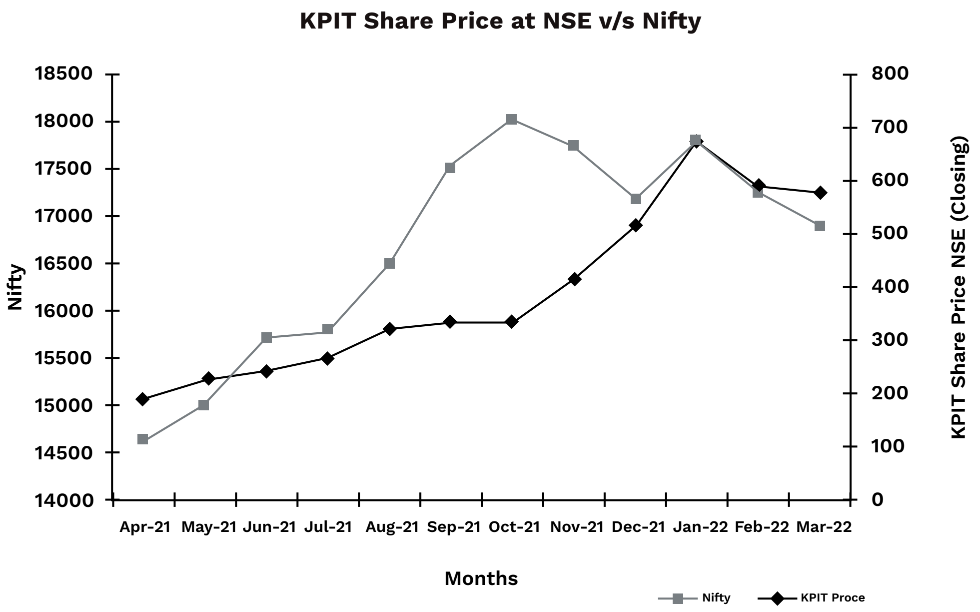
Quantity of Shares	Shareholders		Face Value of shares held (₹)	%
From – To	**Number**	**%**		
1 - 5,000	509,391	96.82	259,708,370	9.47
5,001 – 10,000	9,006	1.71	69,266,830	2.52
10,001 - 20,000	4,159	0.79	62,997,610	2.30
20,001 – 30,000	1,202	0.23	30,727,490	1.12
30,001 – 40,000	589	0.11	21,246,120	0.78
40,001 – 50,000	402	0.08	18,637,720	0.68
50,001 – 100,000	628	0.12	45,954,430	1.68
100,001 & above	760	0.14	2,232,899,510	81.45
TOTAL	**526,137**	**100.00**	**2,741,438,080**	**100.00**

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

	NSE				BSE				Total Volume
	High	Low	Average	Volume	High	Low	Average	Volume	NSE + BSE
April '21	209.00	170.50	190.70	26,858,810	209.00	167.25	190.69	2,333,027	29,191,837
May '21	250.60	195.25	224.70	32,945,825	250.30	195.00	224.85	2,427,474	35,373,299
June '21	266.45	220.00	241.43	15,059,710	266.65	221.65	241.55	2,054,456	17,114,166
July '21	315.65	245.20	266.52	27,886,176	315.90	243.35	266.55	2,803,711	30,689,887
Aug '21	385.30	284.00	322.67	45,873,751	385.00	282.05	322.71	4,744,157	50,617,908
Sept '21	375.75	306.25	333.91	40,103,663	375.80	306.50	333.74	3,124,340	43,228,003
Oct '21	354.90	300.25	334.29	19,557,442	357.80	300.10	334.29	2,112,770	21,670,212
Nov '21	508.00	306.05	415.85	48,585,796	507.40	305.00	415.75	4,444,845	53,030,641
Dec '21	619.90	451.95	518.26	40,310,229	620.00	445.00	518.21	3,478,357	43,788,586
Jan '22	801.00	591.00	670.77	61,802,225	800.00	584.00	671.00	6,600,849	68,403,074
Feb '22	657.90	510.25	587.05	33,610,690	658.00	510.30	586.98	3,081,382	36,692,072
March '22	619.70	528.05	577.99	27,741,486	619.70	527.00	577.95	2,747,784	30,489,270

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





19. Details of dividend in the Unpaid / Unclaimed Dividend Accounts as on March 31, 2022:

[Amount ₹ in Million]

Year	Balance	Date of completion of 7 years*
For the financial year 2018- 2019 (Final)	0.39	October 01, 2026
For the financial year 2019-2020 (1st Interim)	0.26	March 03, 2027
For the financial year 2019-2020 (2nd Interim)	0.41	April 08, 2027
For the financial year 2020-2021 (Final)	0.67	September 28, 2028
For the financial year 2021-2022 (Interim)	0.00#	March 04, 2029

#As on March 31, 2022 the balance was ₹ 240.83 which comes as 0.00 post conversion into millions.

*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 Registrar & Share Transfer Agent 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 and paid a final dividend and 2 interim dividends during the Financial year 2019-20. 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 Transferor Company’s website.

20. Details of correspondence received from the Shareholders / Investors during the period from April 1, 2021 to March 31, 2022:

Sr. No.	Nature of request / complaints	No. of pending requests / complaints as on April 1, 2021	No. of requests/ complaints received	No. of requests/ complaints processed	No. of pending requests/ complaints as on March 31, 2022
1	Clarification regarding shares	Nil	20	20	Nil
2	Correspondence/ Query relating to NSDL operations	Nil	3	3	Nil
3	Non-receipt of Annual Report	Nil	1	1	Nil
4	Non-receipt of securities	Nil	2	2	Nil
5	Non-receipt of Dividend Warrants	NIL	81	81	Nil
6	Non-receipt of securities after transfer	Nil	Nil	Nil	Nil
	Total	**Nil**	**107**	**107**	**Nil**

21. 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.

22. 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 1, 2021 and at the end of the year i.e. March 31, 2022 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, 2021	Nil	Nil
(ii)	Number of shareholders from (i) above, who approached the Company for transfer of shares during the year from April 1, 2021 to March 31, 2022.	Nil	Nil
(iii)	Number of shareholders from (ii) above, to whom shares were transferred (partially) during the year from April 1, 2021 to March 31, 2022.	Nil	Nil
(iv)	Aggregate number of shareholders and the shares from (i) above, which were transferred to IEPF during the year from April 1, 2021 to March 31, 2022.	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, 2021 (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, 2021 to March 31, 2022. (including shares & shareholders in (iv) above).	Nil	Nil

23. Publication of results and presentation made to institutional investors & analysts:

The Company has been regularly publishing its quarterly and yearly results in newspapers, detailed below, as per the requirement of the SEBI LODR Regulations, 2015:

Date of Publication	Particulars	Newspaper
April 29, 2021	Audited consolidated financial results for the quarter year ended March 31, 2021	The Financial Express & Loksatta
July 27, 2021	Unaudited consolidated financial results for the quarter ended June 30, 2021.	The Financial Express & Loksatta
November 2, 2021	Unaudited consolidated financial results for the quarter and half year ended September 30, 2021.	The Financial Express & Loksatta
February 02, 2022	Unaudited consolidated financial results for the quarter and nine months ended December 31, 2021.	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.

24. 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 emphasising 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.

25. 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, a 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 & Managing Director of KPIT – a leading IT consulting and product engineering partner to automotive & transportation, manufacturing and energy & utilities corporations. Mr. Patil co-founded KPIT in 1990. Under his leadership, the company has grown over 50 times in revenues in the last 12+ years to reach around USD 500 million (INR 3000 crores).

Mr. Patil's vision is integral in maintaining KPIT's leadership in its key focus verticals and in making it one of the world's largest and most recognized technology, services, and business solutions provider globally. He has set a high standard of excellence in the areas of running high growth international operations, effecting successful mergers & acquisitions and executing profitable integration. His exceptional people skills and sincerity have been instrumental in building an innovative enterprise.

He is passionate about applying technology to solve business challenges and address larger problems of the society. He is personally active in driving development and proliferation of innovative solutions in the areas of transportation and clean energy. Under his leadership, KPIT has filed more than 50 patents, has developed over 100 IPs in cutting-edge technology in its focus areas, and has won several national and international awards including the Wall Street Journal technology Innovation Award, and Knowledge@Wharton Technovation Award.

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, Kishor 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.

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.

A man of many talents, Mr. Patil has also produced a state-of-the-art internationally acclaimed animation movie, Delhi Safari, on the theme of conservation of animal habitat. He was awarded the prestigious Golden Lotus National Award by the honorable President of India.

Whole-time Director

Mr. Sachin Tikekar is the Co-Founder and President & Joint Managing Director of KPIT. He has been with the company since the beginning and has lead and guided the company in different areas. In his current role, he is responsible for growing & nurturing strategic relationships with customers and partners.

Mr. Tikekar has served the company in a number of 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 established the company's now deeply rooted presence in the US.

Over the years, he has spearheaded the successful integration of acquired entities within KPIT. Before joining KPIT, Sachin worked with US Sprint and Strategic Positioning Group.

He attended Temple University for Masters 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 with 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 drivers 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.

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 for several companies such as Intel, IBM, ATT, General Electric, BMW, Mercedes, Magneti Marelli, GM, Fujitsu, Kawasaki Steel, Pirelli and Telecom Italia.

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 a 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. Since 2004, 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, Society of Indian Automobile Manufacturers and Automobile Components Manufacturers Association in the past. Mr. Talaulicar is now on the board of seven companies in India, teaches on the subject of leadership part time at the S P Jain Institute of Management & Research and sponsors the Usha Jaivant Foundation that funds financially disadvantaged rural students through college along with providing them with life effectiveness 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 Engineers' (IEEE) Best Paper Award in Transactions on Semiconductor Manufacturing and the University of California, Berkeley's EECS Distinguished Alumni Award. 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 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 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.

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 2022, 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, and based on the consideration of report of the other auditor on financial statements of such ESOP trust, as were audited by the other auditor, 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 2022, 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 along with the consideration of report of the other auditor referred to in "Other Matter" section below, 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.

Description of Key Audit Matter

The key audit matter	How the matter was addressed in our audit
Revenue recognition in respect of fixed price contracts 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: ➤ Evaluating the identification of performance obligations.

- 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 35 to the standalone financial statements)

- Agreeing the transaction price to the underlying contracts.
- Inspecting the approval of the estimates of cost to complete.
- Challenging the Company's estimate of contract cost through a retrospective comparison of costs incurred with budgeted costs. Identifying significant variations and testing variations resulting into re-estimating the remaining costs to complete the contract.
- Assessing the work in progress (contract assets) on the balance sheet date by inspecting the underlying invoices and signed agreements on a sample basis to identify possible delays in achieving milestones. Those may require change in estimated costs to complete the remaining performance obligations.
- Comparing, on a sample basis, revenue transactions recorded during the year with the underlying contracts, actual costs incurred, and invoices raised on customers. Also, checked the related revenue, contract costs, provision for onerous contracts, contract assets and unearned revenue had been recognised in accordance with the requirements of Ind AS 115.
- Performing analytical procedures on incurred and estimated contract costs or efforts. It includes assessment of contracts with unusual or negative margins, little or no movement in efforts from previous periods. We also performed analytical procedures on contract assets with little or no movement in invoicing from previous periods.

Information Other than the Standalone Financial Statements and 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 Company's annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/audit report of other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors'/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 Company/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 the 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 the 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 also responsible for overseeing the financial reporting process of the 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 have been audited by other auditor, such other auditor 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 section titled "Other Matter" 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

We did not audit the financial statements of an ESOP trust included in the standalone financial statements of the Company whose financial statements reflect total assets (before consolidation adjustments) of Rs. 575.64 million as at 31 March 2022, total revenue (before consolidation adjustments) of Rs. Nil and net cash inflows (before consolidation adjustments) amounting to Rs. 106.82 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 reports have 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 reports 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 such ESOP trust as was audited by other auditor, as noted in the "Other Matter" 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 reports of the other auditors.

   (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 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of the ESOP trust, as noted in the "Other Matter" paragraph:

(a) The Company does not have any pending litigations which would impact its financial position in its standalone financial statements;

(b) The Company did not have any long-term contracts including derivate contracts for which there were any material foreseeable losses;

(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 has represented that, to the best of its knowledge and belief, 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 persons or entities, 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 ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, 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 ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d)(i) and (d)(ii) contain any material misstatement.

(e) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

(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 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
UDIN: 22113896AHWJXE6281

Place: Pune
Date: 27 April 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF KPIT TECHNOLOGIES LIMITED

Referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report of even date on the standalone financial statements for the year ended 31 March 2022, we report that:

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.

(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 material 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 favor 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 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 not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

iii. (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 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 clause 3(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 investments made during the year, are, prima facie, not prejudicial to the interest of the Company.

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 ("the Act"). 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 Companies Act, 2013 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, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have generally been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no 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 willful 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, associates or joint ventures as defined under Companies Act, 2013.

(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, joint ventures or associate companies (as defined under Companies Act, 2013)

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, clause 3(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 Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of 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)(a) to (c) of the Order are 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 Companies Act, 2013, 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 Companies Act, 2013 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) and (b) of the Order are 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, clause 3(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, other information accompanying the standalone financial statements, 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.

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 Companies Act, 2013 pursuant to any project other than ongoing 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
UDIN: 22113896AHWJXE6281

Place: Pune
Date: 27 April 2022

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF KPIT TECHNOLOGIES LIMITED FOR THE PERIOD ENDED 31 MARCH 2022

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of KPIT Technologies Limited ("the Company") as of 31 March 2022 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 2022, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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 whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to 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 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 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 standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Swapnil Dakshindas
Partner
Membership No. 113896
UDIN: 22113896AHWJXE6281

Place: Pune
Date: 27 April 2022

BALANCE SHEET

(Amount in ₹ million)

	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,663.44	1,700.17
Right-of-use assets	4	1,087.15	833.06
Capital work-in-progress	5	2.28	117.54
Other intangible assets	6	245.52	259.73
Intangible assets under development	7	-	2.82
Financial assets			
Investments	8	4,491.50	2,771.66
Other financial assets	9	353.22	57.39
Income tax assets (net)		142.06	122.45
Deferred tax assets (net)	10	598.95	453.07
Other non-current assets	11	5.67	29.02
		8,589.79	**6,346.91**
Current assets			
Financial assets			
Investments	12	1,004.49	1,261.59
Trade receivables	13		
Billed		2,331.66	1,637.06
Unbilled		328.96	235.69
Cash and cash equivalents	14	458.57	438.25
Other balances with banks	15	4,022.82	2,648.48
Other financial assets	16	266.06	403.35
Other current assets	17	239.64	226.25
		8,652.20	**6,850.67**
TOTAL ASSETS		**17,241.99**	**13,197.58**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	2,700.17	2,690.44
Other equity		9,488.26	7,792.21
Total equity		**12,188.43**	**10,482.65**

BALANCE SHEET

(Amount in ₹ million)

	Note	As at 31 March 2022	As at 31 March 2021
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19	18.65	24.04
Lease liabilities	41	656.25	443.68
Other financial liabilities	20	727.60	146.65
Provisions	21	202.47	95.62
		1,604.97	**709.99**
Current liabilities			
Financial liabilities			
Borrowings	22	7.15	7.29
Lease liabilities	41	138.76	123.35
Trade payables	23		
(i) Total outstanding dues of micro enterprises and small enterprises		4.38	2.47
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		574.84	482.53
Other financial liabilities	24	1,479.56	303.08
Other current liabilities	25	848.60	884.32
Provisions	26	394.65	164.65
Income tax liabilities (net)		0.65	37.25
		3,448.59	**2,004.94**
TOTAL EQUITY AND LIABILITIES		**17,241.99**	**13,197.58**

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

UDIN: 22113896AHWJXE6281

Place: Pune
Date: 27 April 2022

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: 27 April 2022

STATEMENT OF PROFIT AND LOSS

(Amount in ₹ million)

	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations	27	11,809.88	8,028.48
Other income	28	772.72	175.90
Total income		**12,582.60**	**8,204.38**
Expenses			
Cost of materials consumed	29	-	0.52
Changes in inventories of finished goods and work-in-progress	30	-	-
Employee benefits expense	31	7,048.08	4,875.68
Finance costs	32	108.56	86.40
Depreciation and amortization expense		815.76	911.12
Other expenses	33	1,844.48	1,369.18
Total expenses		**9,816.88**	**7,242.90**
Profit before exceptional items and tax		**2,765.72**	**961.48**
Exceptional item	38	-	32.03
Profit before tax		**2,765.72**	**993.51**
Tax expense	39		
Current tax		511.53	193.50
Deferred tax		(127.01)	(135.25)
Total tax expense		**384.52**	**58.25**
Profit for the year		**2,381.20**	**935.26**

STATEMENT OF PROFIT AND LOSS

(Amount in ₹ million)

	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit plans - gain/(loss)	36	(76.96)	21.55
Income tax on items that will not be reclassified subsequently to profit or loss		25.57	(6.40)
Items that will be reclassified subsequently to profit or loss			
Effective portion of gains on hedging instruments in cash flow hedges	34	19.13	155.46
Income tax on items that will be reclassified subsequently to profit or loss		(6.68)	(54.33)
Total other comprehensive income/(loss)		**(38.94)**	**116.28**
Total comprehensive income for the year		**2,342.26**	**1,051.54**
Earnings per equity share (face value per share ₹ 10 each)	40		
Basic		8.83	3.48
Diluted		8.73	3.46

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

UDIN: 22113896AHWJXE6281

Place: Pune
Date: 27 April 2022

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: 27 April 2022

STATEMENT OF CHANGES IN EQUITY

(Amount in ₹ million)

A Equity share capital (Refer note 18)

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

Balance as at 1 April 2020	Changes in equity share capital due to prior period errors	Restated balance as at 1 April 2020	Changes in equity share capital during the year	Balance as at 31 March 2021
2,688.80	-	2,688.80	1.64	2,690.44

B Other equity

	Reserves and surplus				Items of other comprehensive income		Total other equity
	Capital reserve	General reserve	Retained earnings	Share based payment reserve	Effective portion of cash flow hedges (Refer note 34.3)	Re-measurement of net defined benefit plan (Refer note 36)	
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**
Balance as at 1 April 2020	**2,220.91**	**34.38**	**4,488.66**	**48.70**	**(56.46)**	**(104.25)**	**6,631.94**
Profit for the year	-	-	935.26	-	-	-	935.26
Other comprehensive income (net of tax)	-	-	-	-	101.13	15.15	116.28
Total comprehensive income/ (loss) for the year	**-**	**-**	**935.26**	**-**	**101.13**	**15.15**	**1,051.54**
Others							
Transfer to general reserve from share based payment reserve	-	9.62	-	(9.62)	-	-	-
Accumulated surplus of employee welfare trust	-	-	4.92	-	-	-	4.92
Share based payment to employees (net)	-	-	-	103.81	-	-	103.81
Balance as at 31 March 2021	**2,220.91**	**44.00**	**5,428.84**	**142.89**	**44.67**	**(89.10)**	**7,792.21**

STATEMENT OF CHANGES IN EQUITY

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 37 for the details of employee stock options and share purchase schemes.

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

UDIN: 22113896AHWJXE6281

Place: Pune
Date: 27 April 2022

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: 27 April 2022

STATEMENT OF CASH FLOWS

(Amount in ₹ million)

		For the year ended 31 March 2022	For the year ended 31 March 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit for the year	2,381.20	935.26
	Adjustments for:		
	Tax expense	384.52	58.25
	Depreciation and amortization expense	815.76	911.12
	Interest expense	108.56	86.40
	Interest income	(189.85)	(114.18)
	Dividend income	(329.89)	(2.23)
	Property, plant and equipments and other intangible assets written off	107.78	-
	Net loss/(profit) on disposal of property, plant and equipments	(0.72)	3.96
	Exceptional item	-	(32.03)
	Unrealised gain on investment carried at fair value through profit and loss (net)	(50.67)	(18.33)
	Realised gain on investment carried at fair value through profit and loss (net)	(26.51)	(1.41)
	Provision for doubtful debts and advances (net)	(117.24)	125.95
	Bad debts written off	52.89	37.25
	Share based compensation expenses	51.61	67.49
	Net unrealised foreign exchange loss/(gain)	(3.16)	135.58
	Others	(0.86)	4.80
	Operating profit before working capital changes	**3,183.42**	**2,197.88**
	Adjustments for changes in working capital:		
	Trade receivables	(716.64)	1,207.53
	Inventories	-	110.46
	Other financials assets and other assets	144.28	282.72
	Trade payables	93.77	(5.96)
	Other financial liabilities, other liabilities and provisions	780.19	552.26
	Cash generated from operations	**3,485.02**	**4,344.89**
	Taxes paid (net)	(567.74)	(166.87)
	Net cash generated from operating activities (A)	**2,917.28**	**4,178.02**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment and intangible assets	(573.96)	(462.50)
	Proceeds from sale of property, plant and equipment	1.26	4.97
	Investment in subsidiaries	(626.15)	(0.01)
	Investment in an associate	(2.52)	-
	Proceeds from liquidation of a subsidiary	34.63	-
	Investment in mutual fund	(2,570.00)	(2,916.00)
	Proceeds from sale of investment in mutual fund	2,845.17	1,722.06
	Proceed from sale of investments carried at fair value through profit and loss	69.11	34.33
	Loan repaid by subsidiary companies	-	498.30

STATEMENT OF CASH FLOWS

(Amount in ₹ million)

		For the year ended 31 March 2022	For the year ended 31 March 2021
	Interest received	137.59	71.05
	Dividend received	329.89	2.23
	Fixed deposits with banks (net) having maturity over three months	(1,617.86)	(2,581.79)
	Net cash used in investing activities (B)	**(1,972.84)**	**(3,627.36)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of long term loan from banks*	(3.50)	(382.03)
	Repayment of long term loan from other than banks*	(1.87)	-
	Payment of lease liabilities*	(198.59)	(220.55)
	Proceeds from working capital loan*	1,801.39	2,178.60
	Repayment of working capital loan*	(1,801.39)	(2,344.70)
	Proceeds from shares issued by Employee Welfare Trust (net)	27.45	6.56
	Dividend paid	(741.30)	-
	Interest and finance charges paid	(3.59)	(15.77)
	Net cash used in financing activities (C)	**(921.40)**	**(777.89)**
D	**Exchange differences on translation of foreign currency cash and cash equivalents**	(2.72)	(15.54)
	Net increase/(decrease) in cash and cash equivalents (A + B + C + D)	**20.32**	**(242.77)**
	Cash and cash equivalents at close of the year (Refer note 14)	458.57	438.25
	Cash and cash equivalents at beginning of the year	438.25	681.02
	Cash surplus/(deficit) for the year	**20.32**	**(242.77)**

***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 41)**
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

STATEMENT OF CASH FLOWS

(Amount in ₹ million)

***Reconciliation of liabilities from financing activities for the year ended 31 March 2021:**

Particulars	Non-current borrowings (including related current portion)	Current borrowings	Leases (Refer note 41)
Balance at the start of the year	413.15	166.10	919.93
Add: Cash inflow (proceeds of working capital loans from banks)	-	2,178.60	-
Less: Cash outflow (repayment of loans and payment of lease liabilities)	382.03	2,344.70	220.55
Add: Non-cash changes (including effects of unrealised foreign exchange)	0.21	-	(132.35)
Closing balance at the end of the year	31.33	-	567.03

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

UDIN: 22113896AHWJXE6281

Place: Pune
Date: 27 April 2022

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: 27 April 2022

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

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 7500+ 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 27 April 2022.

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,

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

including amount expected to be paid/ recovered for uncertain tax positions (if any).

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 36 and 37.

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.

viii. Estimation of uncertainties relating to the global health pandemic from COVID-19

In view of pandemic relating to COVID -19, the Company has considered internal and external information and has performed sensitivity analysis based on current estimates in assessing the recoverability of receivables, unbilled receivables, intangible assets, investment in subsidiaries and other financial assets. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial reporting controls etc. and is of the view that based on its present assessment this situation does not materially impact this standalone financial statements as on 31 March 2022. However, the actual impact of COVID-19 on the Company's standalone financial statements, in future, may differ from that estimated and the Company will continue to closely monitor any material changes to future economic conditions.

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.

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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.

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.

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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.

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

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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.

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

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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 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.

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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. 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

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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.

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.

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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:

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.

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(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.

(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

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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.

(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 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.

2.19 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

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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 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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

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.

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 March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind-AS 103 – Reference to Conceptual Framework

The amendments specifiy that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind-AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind-AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind-AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind-AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

3 Property, plant and equipment

	Building	Leasehold improvements	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Gross carrying amount as at 1 April 2020	**1,036.98**	**186.20**	**887.12**	**160.20**	**42.51**	**373.50**	**2,686.51**
Additions	-	-	92.13	0.16	1.64	8.25	102.18
Disposal/retirement/ derecognition	0.26	49.58	3.68	14.95	-	28.60	97.07
Gross carrying amount as at 31 March 2021	**1,036.72**	**136.62**	**975.57**	**145.41**	**44.15**	**353.15**	**2,691.62**
Accumulated depreciation as at 1 April 2020	**44.54**	**119.56**	**371.32**	**74.23**	**18.97**	**116.69**	**745.31**
Depreciation for the year	35.81	4.58	190.49	16.22	5.25	37.14	289.49
Disposal/retirement/ derecognition	0.02	16.24	2.75	8.47	-	15.87	43.35
Accumulated depreciation as at 31 March 2021	**80.33**	**107.90**	**559.06**	**81.98**	**24.22**	**137.96**	**991.45**
Carrying amount as at 31 March 2020	**992.44**	**66.64**	**515.80**	**85.97**	**23.54**	**256.81**	**1,941.20**
Carrying amount as at 31 March 2021	**956.39**	**28.72**	**416.51**	**63.43**	**19.93**	**215.19**	**1,700.17**
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**	**215.19**	**1,700.17**
Carrying amount as at 31 March 2022	**974.02**	**27.56**	**398.59**	**55.07**	**14.30**	**193.90**	**1,663.44**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

4 Right-of-use assets

	Building (Leasehold)	Land (Leasehold)	Vehicles	Total
Gross carrying amount as at 1 April 2020	**854.33**	**405.40**	**6.70**	**1,266.43**
Additions	57.18	18.50	-	75.68
Derecognition/adjustments	257.41	-	-	257.41
Gross carrying amount as at 31 March 2021	**654.10**	**423.90**	**6.70**	**1,084.70**
Accumulated depreciation as at 1 April 2020	**134.59**	**20.76**	**6.70**	**162.05**
Depreciation for the year	157.36	4.55	-	161.91
Derecognition/adjustments	72.32	-	-	72.32
Accumulated depreciation as at 31 March 2021	**219.63**	**25.31**	**6.70**	**251.64**
Carrying amount as at 31 March 2020	**719.74**	**384.64**	**-**	**1,104.38**
Carrying amount as at 31 March 2021	**434.47**	**398.59**	**-**	**833.06**
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	-	-	168.61
Gross carrying amount as at 31 March 2022	**900.89**	**423.90**	**6.70**	**1,331.49**
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	-	-	163.26
Accumulated depreciation as at 31 March 2022	**207.69**	**29.95**	**6.70**	**244.34**
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**

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 2022					
Projects in progress	2.28	-	-	-	2.28
Project temporarily suspended	-	-	-	-	-
Total	**2.28**	**-**	**-**	**-**	**2.28**
As at 31 March 2021					
Projects in progress	66.69	18.78	0.22	-	85.69
Project temporarily suspended (Refer note i below)	11.05	20.80	-	-	31.85
Total	**77.74**	**39.58**	**0.22**	**-**	**117.54**

Note:

(i) During the current year, the project is permanently suspended.

(ii) 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

for the year ended on 31 March 2022

(Amount in ₹ million)

6 Other intangible assets

	Internally Generated		Other than Internally Generated	Total
	Product Development Cost	Technical knowhow	Software	
Gross carrying amount as at 1 April 2020	**834.85**	**9.51**	**1,088.05**	**1,932.41**
Additions	-	-	270.71	270.71
Gross carrying amount as at 31 March 2021	**834.85**	**9.51**	**1,358.76**	**2,203.12**
Accumulated amortisation as at 1 April 2020	**653.60**	**9.51**	**820.56**	**1,483.67**
Amortisation for the year	172.86	-	286.86	459.72
Accumulated amortisation as at 31 March 2021	**826.46**	**9.51**	**1,107.42**	**1,943.39**
Carrying amount as at 31 March 2020	**181.25**	**-**	**267.49**	**448.74**
Carrying amount as at 31 March 2021	**8.39**	**-**	**251.34**	**259.73**
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**

7 Intangible assets under development 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	
Projects in progress					
As at 31 March 2022	-	-	-	-	-
As at 31 March 2021	2.69	0.13	-	-	2.82

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

for the year ended on 31 March 2022

(Amount in ₹ million)

8 Investments

(Unquoted)

8A Investments in equity instruments of joint arrangement and associate measured at cost

	31 March 2022	31 March 2021
Yantra Digital Services Private Limited	-	-
5,400 (Previous year 5,400) equity shares of ₹ 10 each fully paid		
(Net of impairment loss)		
PathPartner Interior Sensing Private Limited	2.52	-
252,000 (Previous year Nil) equity shares of ₹ 10 each fully paid		

8B Investments in equity instruments of subsidiaries measured at cost

	31 March 2022	31 March 2021
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 i below)	-	34.63
A wholly owned subsidiary company incorporated in Singapore		
1 (Previous year 672,230) Ordinary shares of SGD 1 each		
ThaiGerTec Company Limited	0.12	0.01
1,000 (Previous year 1,000) Shares of THB 10 each		
PathPartner Technology Private Limited (Refer note 50)	1,761.84	-
672,100 (Previous year Nil) Shares of ₹ 10 each fully paid		

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

8C Investments in equity instruments of other entities measured at fair value through profit or loss

	31 March 2022	31 March 2021
Lithium Urban Technologies Private Limited	-	10.00
Nil (Previous year 5,819) equity shares of ₹ 10 each fully paid		
	4,491.50	**2,771.66**

Note:

(i) Application for striking off of KPIT Technologies Pte Ltd. is filed on 28 March 2022.

9 Other financial assets

(Unsecured, considered good unless otherwise stated)

	31 March 2022	31 March 2021
Fixed deposits with banks	258.70	14.52
Security deposits	90.47	40.14
Interest accrued on fixed deposits	4.05	2.73
	353.22	**57.39**

Note:

(i) Information about the Company's exposure to credit risk is disclosed in note 34.

10 Deferred tax assets (net)

	31 March 2022	31 March 2021
Deferred tax assets		
Provision for bad and doubtful debts and advances	22.67	52.19
Excess of depreciation/amortisation on property, plant and equipment and other intangible assets provided in accounts over depreciation/amortisation under income-tax law	14.83	-
Provision for compensated absences	16.64	12.24
Provision for gratuity	51.01	74.78
MAT credit entitlement	466.16	334.04
Others	78.18	27.82
	649.49	501.07
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	-	15.11
Forward contracts designated as cash flow hedges	30.68	23.99
Others	19.86	8.90
	50.54	48.00
Net deferred tax asset	**598.95**	**453.07**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

11 Other non-current assets

(Unsecured, considered good unless otherwise stated)

	31 March 2022	31 March 2021
Capital advances	4.33	13.99
Prepaid expenses	1.34	0.91
Others	-	14.12
	5.67	**29.02**

12 Current investments

(Quoted)

	31 March 2022	31 March 2021
Investments measured at fair value through profit or loss		
Mutual fund units (Refer note i below)	974.36	1,202.08
Shares of Birlasoft Limited held by KPIT Employee Welfare Trust	30.13	59.51
	1,004.49	**1,261.59**

Note:

(i) Details of investment in mutual fund units

Particulars	31 March 2022		31 March 2021	
	Units	Amount	Units	Amount
Axis Liquid Fund - Regular Growth	-	-	112,677.24	256.08
Axis Overnight Fund - Regular Growth	-	-	156,576.76	170.14
ICICI Prudential Money Market Fund - Growth	345,508.27	105.12	345,508.27	101.26
NIPPON India Money Market Fund - Growth plan growth option	42,750.38	141.99	42,750.38	136.63
UTI Money Market Fund - Regular Growth Plan	100,397.33	247.72	59,427.56	141.13
Aditya Birla Sun Life Liquid Fund - Growth - Regular Plan	268,462.97	91.39	306,695.45	101.00
Aditya Birla Sun Life Overnight Fund - Growth - Regular Plan	-	-	99,182.56	110.05
HSBC Overnight Fund - Growth	-	-	70,008.98	75.13
Kotak Money Market Fund - Growth - Regular plan	31,918.21	114.92	31,918.21	110.66
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		**974.36**		**1,202.08**

(ii) The details of aggregate value of quoted investments are disclosed in note 34.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

13 Trade receivables

(Unsecured)

	31 March 2022	31 March 2021
Trade receivables - billed		
Trade receivables considered good	2,331.66	1,637.06
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	81.47	198.71
	2,413.13	1,835.77
Less: Allowances for bad and doubtful trade receivables	81.47	198.71
Total trade receivables - billed	**2,331.66**	**1,637.06**
Trade receivables - unbilled	**328.96**	**235.69**
	2,660.62	**1,872.75**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

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

Trade receivables ageing schedule as at 31 March 2021

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	1,315.11	281.68	40.27	-	-	-	1,637.06
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	146.90	21.05	-	6.73	24.03	198.71
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	1,315.11	**428.58**	**61.32**	**-**	**6.73**	**24.03**	**1,835.77**
Less: Allowances for bad and doubtful trade receivables - billed							198.71
							1,637.06
Trade receivables - unbilled (Refer note ii below)							235.69
							1,872.75

Note:

(i) Trade receivables from related parties are disclosed in note 44.

(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 34.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

14 Cash and cash equivalents

	31 March 2022	31 March 2021
Cash on hand	0.04	0.04
Balances with banks		
In current accounts	269.54	243.21
In deposit accounts with original maturity of 3 months or less	188.99	195.00
	458.57	**438.25**

Note:

(i) Information about the Company's exposure to credit risk, liquidity risk and market risk is disclosed in note 34.

15 Other balances with banks

	31 March 2022	31 March 2021
Balances with banks		
In unclaimed dividend accounts	1.73	1.07
In deposit accounts with remaining maturity of less than 12 months (Refer note i below)	4,021.09	2,647.41
	4,022.82	**2,648.48**

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 34.

16 Other current financial assets

(Unsecured, considered good unless otherwise stated)

	31 March 2022	31 March 2021
Interest accrued on fixed deposits	86.99	43.68
Security deposits	0.03	61.16
Forward contracts designated as cash flow hedges (Refer note 34.3)	87.80	68.67
Receivable from related parties (Refer note 44)	7.41	143.88
Other receivables	83.83	85.96
	266.06	**403.35**

Note:

(i) Information about the Company's exposure to risk and market risk is disclosed in note 34.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

17 Other current assets

(Unsecured, considered good unless otherwise stated)

	31 March 2022	31 March 2021
Advance to suppliers	26.46	32.66
Employee advances		
Considered good	22.79	15.01
Considered doubtful	6.75	8.63
	29.54	23.64
Less: Provision for doubtful advances	6.75	8.63
	22.79	15.01
Balances with statutory authorities	29.82	49.38
Contract assets (Refer note 35)	43.15	12.61
Prepaid expenses	117.42	109.98
Others	-	6.61
	239.64	**226.25**

18 Equity share capital

	31 March 2022	31 March 2021
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:		
270,016,575 (Previous year 269,043,560) equity shares of ₹ 10 each fully paid up	2,700.17	2,690.44
	2,700.17	**2,690.44**

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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

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 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares outstanding at the beginning of the year	269,043,560	2,690.44	268,879,735	2,688.80
Add: Shares issued on exercise of employee stock options	973,015	9.73	163,825	1.64
Equity shares outstanding at the end of the year	**270,016,575**	**2,700.17**	**269,043,560**	**2,690.44**

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 2022	% of shares held	Number of shares as at 31 March 2021	% 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 2022	% of shares held	Percentage change during the year ended on 31 March 2022
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	1,616,330	0.59%	0.00%
Mr. Shrikrishna Patwardhan	1,100,000	0.40%	0.00%
Mr. Ajay Shridhar Bhagwat	2,636,800	0.96%	0.00%
Ms. Ashwini Ajay Bhagwat jointly held with Mr. Ajay Bhagwat	43,300	0.02%	0.00%
Mr. Sachin Dattatraya Tikekar	740,800	0.27%	-0.04%
Ms. Hemalata A Shende	40,000	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 three years immediately preceding the reporting date - Nil (Previous year Nil).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

18.7 Dividend

The Company declares and pays dividends in Indian rupees.

Cash dividends on equity shares declared and paid:

Particulars	31 March 2022	31 March 2021
Final dividend for the year ended on 31 March 2021: ₹ 1.50 per share (Previous year ₹ Nil per share)	403.91	-
Interim dividend for the year ended on 31 March 2022: ₹ 1.25 per share (Previous year ₹ Nil per share)	337.39	-
Total dividend paid	**741.30**	**-**

Proposed dividend:

The Board of Directors at its meeting held on 27 April 2022, has recommended a final dividend of ₹ 1.85 per equity share for the year ended 31 March 2022, 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 2022	31 March 2021
Term loans		
From banks (secured) (Refer note i and ii below)	5.52	9.04
From institution other than banks (unsecured) (Refer note iii below)	13.13	15.00
	18.65	**24.04**

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 will be repaid upto October 2029.

(iv) Information about the Company's exposure to market risk and liquidity risk is disclosed in note 34.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

20 Other non-current financial liabilities

	31 March 2022	31 March 2021
Accrued employee costs	244.64	146.65
Contractual obligation - acquisition (Refer note 50)	482.96	-
	727.60	**146.65**

Notes:

(i) Information about the Company's exposure to liquidity risk is disclosed in note 34.

21 Non-current provisions

	31 March 2022	31 March 2021
Provision for employee benefits		
Compensated absences	56.82	40.32
Gratuity (Refer note 36)	145.65	55.30
	202.47	**95.62**

22 Current borrowings

	31 March 2022	31 March 2021
Current maturities of long term borrowings (Refer note i below)		
From banks (secured)	4.37	3.81
From institution other than banks (unsecured)	2.78	3.48
	7.15	**7.29**

Notes:

(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 34.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

23 Trade payables

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 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**
As at 31 March 2021						
MSME	-	2.47	-	-	-	2.47
Others	332.33	110.48	31.11	8.61	-	482.53
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	332.33	**112.95**	**31.11**	**8.61**	**-**	**485.00**

Notes:

(i) Information on MSME is disclosed in note 43.

(ii) Information about the Company's exposure to liquidity risk is disclosed in note 34.

24 Other current financial liabilities

	31 March 2022	31 March 2021
Purchase consideration payable		
PathPartner Technology Private Limited towards acquisition of controlling stake (Refer note 50)	263.96	-
Contractual obligation - acquisition (Refer note 50)	418.49	-
Accrued employee costs	720.30	259.97
Unclaimed dividends	1.73	1.07
Capital creditors	37.21	21.75
Payable to related parties (Refer note 44)	3.92	1.99
Others	33.95	18.30
	1,479.56	**303.08**

Notes:

(i) Information about the Company's exposure to market risk and liquidity risk is disclosed in note 34.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

25 Other current liabilities

	31 March 2022	31 March 2021
Unearned revenue (Refer note 35)	686.82	650.08
Statutory liabilities	118.41	79.28
Advance from related parties (Refer note 44)	43.37	154.96
	848.60	**884.32**

26 Current provisions

	31 March 2022	31 March 2021
Provision for employee benefits		
Compensated absences	16.55	12.18
Gratuity (Refer note 36)	80.00	100.78
Other provisions		
Provision for warranty (Refer note 42.1)	123.10	51.69
Provision for claims (Refer note 42.2)	175.00	-
	394.65	**164.65**

27 Revenue from operations (Refer note 35)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Software services	11,800.39	8,022.10
Sale of products		
Finished goods	9.49	6.38
	11,809.88	**8,028.48**

28 Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income (Refer note i below)	189.85	114.18
Dividend income (Refer note ii below)	329.89	2.23
Net foreign exchange gain	169.44	28.36
Net unrealised gain on investments carried at fair value through profit or loss (Refer note iii below)	50.67	18.33
Other non operating income (net of expenses directly attributable to such income) (including miscellaneous income)	32.87	12.80
	772.72	**175.90**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

Notes:

(i) Interest income from related parties are disclosed in note 44.

(ii) This represents the dividend income of:

a. ₹ Nil (Previous year ₹ 0.00* million) from investment in mutual fund units;

b. ₹ 2.67 million (Previous year ₹ 2.23 million) on shares in Birlasoft Limited, held by KPIT Employee Welfare Trust.

c. ₹ 327.22 million (Previous year ₹ Nil) 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.

**Since denominated in ₹ million.*

29 Cost of materials consumed

	For the year ended 31 March 2022	For the year ended 31 March 2021
Cost of materials consumed	-	0.52

30 Changes in inventories of finished goods and work-in-progress

	For the year ended 31 March 2022	For the year ended 31 March 2021
Finished goods		
Inventories at the beginning of the year	-	2.48
Inventories written off during the year	-	2.48
Inventories at the end of the year	-	-
	-	-
Work-in-progress		
Inventories at the beginning of the year	-	2.34
Inventories written off during the year	-	2.34
Inventories at the end of the year	-	-
	-	-
	-	**-**

31 Employee benefits expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and incentives	6,759.35	4,611.80
Contributions to provident fund	218.51	160.79
Share based compensation to employees (Refer note 37)	51.61	67.49
Staff welfare expenses	18.61	35.60
	7,048.08	**4,875.68**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

32 Finance costs

	For the year ended 31 March 2022	For the year ended 31 March 2021
Finance cost on lease liabilities (Refer note 41)	56.18	70.43
Other interest expense	52.38	15.97
	108.56	**86.40**

33 Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Travel expenses (net)	62.94	20.88
Cost of service delivery (net)	254.33	151.33
Cost of professional sub-contracting (net)	137.50	66.61
Recruitment and training expenses	77.53	28.35
Power and fuel	48.54	50.49
Rent (short-term and low value leases) (Refer note 41)	1.70	21.94
Repairs and maintenance	233.05	228.57
Insurance	59.51	56.66
Rates & taxes	166.85	70.39
Communication expenses (net)	42.56	51.15
Legal and professional fees	183.45	81.67
Marketing expenses	17.06	5.01
Property, plant and equipments and other intangible assets written off	107.78	-
Auditor's remuneration (net of taxes)		
Audit fees	5.40	4.50
Limited review of quarterly results	2.10	1.80
Fees for other services	0.56	1.55
Bad debts written off	52.89	37.25
Allowances for doubtful trade receivables and advances (net)	(117.24)	125.95
Provision for warranty (Refer note 42.1)	79.88	51.42
Contributions towards corporate social responsibility (Refer note 51)	38.22	18.63
Miscellaneous expenses (net)	389.87	295.03
	1,844.48	**1,369.18**

Notes:

(i) Certain expenses are net of recoveries/reimbursements from customers.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

34 Financial Instruments

34.1 Financial Instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2022 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)	-	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**

The carrying value and fair value of financial instruments by categories as at 31 March 2021 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)	-	1,271.59	-	1,271.59	1,271.59
Trade receivables - billed	1,637.06	-	-	1,637.06	1,637.06
Trade receivables - unbilled	235.69	-	-	235.69	235.69
Cash and cash equivalents	438.25	-	-	438.25	438.25
Other balances with banks	2,648.48	-	-	2,648.48	2,648.48
Other financial assets	392.07	-	68.67	460.74	460.74
Total financial assets	**5,351.55**	**1,271.59**	**68.67**	**6,691.81**	**6,691.81**
Financial liabilities					
Borrowings	31.33	-	-	31.33	31.33
Trade payables	485.00	-	-	485.00	485.00
Lease liabilities	567.03	-	-	567.03	567.03
Other financial liabilities	449.73	-	-	449.73	449.73
Total financial liabilities	**1,533.09**	**-**	**-**	**1,533.09**	**1,533.09**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

34.2 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).

The following table presents fair value hierarchy of financial assets and liabilities as at 31 March 2022:

Particulars	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	-	-

Refer note 13 for ageing of trade receivables

The following table presents fair value hierarchy of assets and liabilities as at 31 March 2021:

Particulars	31 March 2021	Fair value measurement		
		Level 1	Level 2	Level 3
Financial assets				
Investment in Lithium Urban Technologies Private Limited	10.00	-	-	10.00
Forward contracts designated as cash flow hedge	68.67	-	68.67	-
Investment in shares of Birlasoft Limited	59.51	59.51	-	-
Investments in mutual fund units	1,202.08	1,202.08	-	-

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.

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34.3 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 ₹ 2,331.66 million and ₹ 1,637.06 million and unbilled trade receivables amounting to ₹ 328.96 million and ₹ 235.69 million and other current financial assets pertaining to receivable from related and other than related parties amounting to ₹ 91.24 million and ₹ 229.84 million as on 31 March 2022 and 31 March 2021 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.

ii. Impairment

Movement in the allowance for impairment in respect of trade and other receivables:

Particulars	31 March 2022	31 March 2021
Balance at the beginning of the year	198.71	86.75
Impairment during the year	224.45	256.21
Reversal of impairment on account of collection	(288.71)	(109.90)
Utilisation of allowance	(52.98)	(34.35)
Balance at the end of the year	**81.47**	**198.71**

Refer note 13 for ageing of trade receivables

iii. Cash and bank balances

The Company held cash and bank balances of ₹ 4,481.39 million and ₹ 3,086.73 million as at 31 March 2022 and 31 March 2021 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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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The liquidity position at each reporting date is given below:

Particulars	31 March 2022	31 March 2021
Cash and cash equivalents	458.57	438.25
Other balances with banks	4,022.82	2,648.48
Fixed deposits with banks (non-current portion) including interest accrued	349.74	60.93
Investment in mutual fund units	974.36	1,202.08
Total	**5,805.49**	**4,349.74**

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	-	-

The following are the remaining contractual maturities of financial liabilities as at 31 March 2021:

Particulars	Carrying value	Gross cash outflow	Upto 1 year	2-3 years	4-5 years	> 5 years
Borrowings	31.33	37.62	9.45	13.34	6.77	8.06
Trade payables	485.00	485.00	485.00	-	-	-
Other financial liabilities	449.73	477.92	303.08	174.84	-	-

Refer note 41 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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

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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 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**

The following is the Company's exposure to currency risk from financial instruments as at 31 March 2021:

Particulars	US Dollars	Euros	Pound Sterling	Other currencies	Total
Trade receivables (including unbilled)	626.56	386.77	72.70	441.58	1,527.61
Other financial assets	-	158.05	1.08	-	159.13
Trade payables	(41.84)	(46.97)	(1.26)	(1.98)	(92.05)
Other financial liabilities	(3.45)	(2.24)	-	(63.86)	(69.55)
Net assets/(liabilities)	**581.27**	**495.61**	**72.52**	**375.74**	**1,525.14**

The above figures exclude amounts in local currency of foreign subsidiaries.

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%.

For the period ended 31 March 2021, every 1% appreciation/depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately 0.77%/(0.77)%.

ii. Derivative assets and liabilities designated as cash flow hedges

In accordance with its risk management policy and business plan the Company has hedged its cash flows. The Company enters into derivative contracts to offset the foreign currency risk arising from the amounts denominated in currencies other than in Indian rupees. The counter party to the Company's foreign currency contracts is a bank. These contracts are entered into to hedge the foreign currency risks of firm commitments (sales orders) and highly probable forecast transactions. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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(Amount in ₹ million)

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	31 March 2022		31 March 2021	
	Foreign Currency (million)	₹ (million)	Foreign Currency (million)	₹ (million)
EUR	11.75	994.75	11.15	960.00
USD	34.62	2,624.44	23.05	1,694.28
GBP	4.57	454.95	6.10	615.80

The forward contracts have maturity between 30 days to 11 months from 31 March 2022.

The movement in the hedging reserve for derivatives, which have been designated as Cash Flow Hedges, is as follows:

Particulars	31 March 2022	31 March 2021
Balance at the beginning of the year	44.67	(56.46)
Gains on changes in fair value of foreign exchange contracts recognised in other comprehensive income	87.80	68.67
Deferred tax on fair value of effective portion of cash flow hedges	(6.68)	(54.33)
Amounts reclassified to the statement of profit and loss	(68.67)	86.79
Balance at the end of the year	**57.12**	**44.67**

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.

35 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 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 2022	31 March 2021
Americas	4,722.49	3,970.43
UK & Europe	3,347.06	1,421.16
Rest of World	3,740.33	2,636.89
Total	**11,809.88**	**8,028.48**

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B Revenue disaggregation by contract type is as follows:

Contract type	31 March 2022	31 March 2021
Time & Material (T&M) and Cap T&M projects	5,373.20	4,260.75
Fixed price projects	5,949.82	3,405.06
License projects	161.51	111.26
Sale from manufacturing unit/product sale	9.16	6.38
Others	316.19	245.03
Total	**11,809.88**	**8,028.48**

Movement in contract assets (unbilled revenue)

Particulars	31 March 2022	31 March 2021
Balance at the beginning of the year	12.61	50.80
Revenue recognised during the year	43.15	12.55
Invoicing during the year	(7.54)	(39.90)
Reversals during the year	(5.07)	(10.84)
Balance at the end of the year	**43.15**	**12.61**

Movement in contract liabilities (unearned revenue)

Particulars	31 March 2022	31 March 2021
Balance at the beginning of the year	650.08	481.87
Invoiced during the period but not recognised as revenue	636.25	605.13
Revenue recognised during the year	(599.51)	(436.92)
Balance at the end of the year	**686.82**	**650.08**

Reconciliation of revenue recognised with the contracted price

Particulars	31 March 2022	31 March 2021
Contracted price	11,840.14	8,073.09
Reductions towards variable consideration components	(30.26)	(44.61)
Revenue recognised	**11,809.88**	**8,028.48**

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

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(Amount in ₹ million)

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2022, other than those meeting the exclusion criteria mentioned above, is ₹ 2,551.96 million. Out of this, the Company expects to recognize revenue of around 97% 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.

36 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 2022	For the year ended 31 March 2021
Present value of defined benefit obligation at the beginning of the year	322.28	298.92
Current service cost	46.85	49.30
Interest cost	20.17	19.22
Actuarial loss/(gain) recognised in other comprehensive income		
a) changes in demographic assumptions	(0.04)	-
b) changes in financial assumptions	(8.29)	2.55
c) experience adjustments	81.71	(21.53)
Benefits paid	(52.04)	(26.18)
Present value of defined benefit obligation at the end of the year	410.64	322.28

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 2022	For the year ended 31 March 2021
Fair value of plan assets at the beginning of the year	166.20	59.79
Interest income	10.40	3.84
Employer contribution	50.00	100.00
Benefits paid	(38.03)	-
Return on plan assets, excluding interest income	(3.58)	2.57
Fair value of plan assets at the end of the year	184.99	166.20

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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(Amount in ₹ million)

Amount recognised in the Balance Sheet	For the year ended 31 March 2022	For the year ended 31 March 2021
Present value of obligation as at the end of the year	410.64	322.28
Fair value of plan assets at the end of the year	184.99	166.20
Funded status ((surplus)/deficit)	225.65	156.08
Net defined benefit obligation	225.65	156.08

Expenses recognized in the Statement of Profit and Loss	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	46.85	49.30
Interest cost net of interest income on plan assets	9.77	15.38
Expenses recognized in the Statement of Profit and Loss	56.62	64.68

Expenses recognized in the Other Comprehensive Income (OCI)	For the year ended 31 March 2022	For the year ended 31 March 2021
Actuarial loss/(gain)	73.38	(18.98)
Return on plan assets, excluding interest income	(3.58)	2.57
Net (income)/expense recognized in the OCI	76.96	(21.55)

Category of assets	For the year ended 31 March 2022	For the year ended 31 March 2021
Insurance fund	184.99	166.20

Actuarial Assumptions:	For the year ended 31 March 2022	For the year ended 31 March 2021
Expected return on plan assets	6.70%	6.26%
Discount rate	6.70%	6.26%
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).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Projected benefit obligation on current assumptions	31 March 2022		31 March 2021	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (1 % movement)	(17.52)	19.40	(14.43)	16.03
Future salary growth (1 % movement)	19.53	(17.96)	16.07	(14.72)
Attrition rate (1 % movement)	0.24	(0.42)	(0.66)	0.57

Maturity profile of defined benefit plan:

Projected benefits payable in future years from the date of reporting	31 March 2022	31 March 2021
Within 1 year	75.78	60.09
1-2 year	51.57	36.61
2-3 year	51.64	36.96
3-4 year	47.72	36.46
4-5 year	44.64	34.76
5-10 years	162.81	126.95
Thereafter	161.13	130.20

Weighted average assumptions used to determine net periodic benefit cost:

Particulars	31 March 2022	31 March 2021
Number of active members	6,840	5,396
Per month salary cost for all active members (₹ million)	185.83	124.37
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)	411.61	322.28
Prescribed contribution for next year (12 months) (₹ million)	80.00	100.00

37 Share based payments

37.1 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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

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 2022 are 193,950 and 257,350 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 2022 are 158,050. The Company recorded an employee compensation cost of ₹ 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 2021-22		FY 2020-21	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	486,205	45.19	598,205	44.28
Forfeited/surrendered during the year	4,300	44.96	13,250	44.96
Exercised during the year	269,505	44.76	96,550	39.57
Lapsed during the year	2,100	44.96	2,200	44.96
Options outstanding at the end of the year	210,300	45.75	486,205	45.19
Options exercisable at the end of the year	210,300	45.75	486,205	45.19

The weighted average share price of the options exercised under Employees Stock Option Scheme -2019 on the date of exercise during the year was ₹ 86.52.

The weighted average remaining contractual life are as follows:

Range of Exercise Price	FY 2021-22		FY 2020-21	
	Weighted average contractual life (years)	No. of options outstanding	Weighted average contractual life (years)	No. of options outstanding
₹ 0 to ₹ 50	0.89	190,300	1.51	466,205
₹ 50 to ₹ 100	3.07	20,000	4.07	20,000

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model.

The Company recorded an employee compensation cost of ₹ Nil (Previous year ₹ Nil) in the Statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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(Amount in ₹ million)

37.2 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.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year:

Particulars	FY 2021-22		FY 2020-21	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	3,707,000	10.00	3,255,000	85.05
Options granted during the year	250,500	10.00	3,757,500	10.00
Forfeited/surrendered during the year	363,050	10.00	3,305,500	83.90
Exercised during the year	464,010	10.00	-	-
Lapsed during the year	-	-	-	-
Options outstanding at the end of the year	3,130,440	10.00	3,707,000	10.00
Options exercisable at the end of the year	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 ₹ 231.71.

The weighted average remaining contractual life are as follows:

Range of exercise price	FY 2021-22		FY 2020-21	
	Weighted average contractual life (years)	No. of options outstanding	Weighted average contractual life (years)	No. of options outstanding
₹ 0 to ₹ 50	5.66	3,130,440	6.44	3,707,000

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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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 2021-22	FY 2020-21
1. Exercise price (₹)	10.00	10.00
2. Price of the underlying share in market at the time of the option grant (₹)	488.68	65.40
3. Weighted average fair value of options granted (₹)	474.99	57.18
4. Expected life of the option (years)	3.76	3.76
5. Risk free interest rate (%)	5.00	5.00
6. Expected volatility (%)	50.13	49.79
7. Dividend yield (%)	0.36	-

The Company recorded an employee compensation cost of ₹ 51.61 million (Previous year ₹ 67.61 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.

37.3 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 2021-22		FY 2020-21	
	No. of shares	Weighted average offer price	No. of shares	Weighted average offer price
Shares outstanding at the beginning of the year	19,955	10.00	24,050	10.00
Shares granted during the year	-	10.00	3,505	10.00
Exercised during the year	2,935	10.00	5,125	10.00
Cancelled during the year	16,995	10.00	2,475	10.00
Shares outstanding at the end of the year	25	10.00	19,955	10.00

The Company recorded an employee compensation cost of ₹ Nil million (Previous year ₹ (0.12) million) in the Statement of Profit and Loss.

38 Details of exceptional items

In line with the Company's operational efficiency measures, it had consolidated its presence during the previous year, resulting into early termination of some of its existing leased office premises in Pune, India. Accordingly, as per Ind-AS 116 "Leases", remeasured the lease liability and on prudent assessment, also written-off its property, plant and equipment at the said location. The net impact of ₹ 32.03 million was recognised as an exceptional item in the Statement of Profit and Loss.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

39 Income taxes

The income tax expense consists of following:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Tax expense		
Current tax	511.53	193.50
Deferred tax (benefit)/charge	(127.01)	(135.25)
Total tax expense	**384.52**	**58.25**

The net charge relating to temporary differences during the year ended 31 March 2022 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 2022	For the year ended 31 March 2021
Profit before tax	2,765.72	993.51
Indian statutory income tax rate	34.94%	34.94%
Expected income tax expense	966.45	347.17
Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Effect of income tax exemption/tax holiday	(584.31)	(255.10)
Effect of permanent adjustments	(51.97)	(64.56)
Others (net)	54.35	30.74
Total tax expense	**384.52**	**58.25**

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

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(Amount in ₹ million)

Deferred Tax

The gross movement in the deferred tax account :

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net deferred tax asset at the beginning of the year	453.07	378.54
MAT credit entitlement/(utilisation) during the year	132.12	(14.00)
Credit/(charge) relating to temporary differences (net)	(5.11)	149.26
Temporary differences on other comprehensive income	18.87	(60.73)
Net deferred tax asset at the end of the year	598.95	453.07

The net charge relating to temporary differences during the year ended 31 March 2022 and 31 March 2021 are primarily on account of provision for bad and doubtful debts, provision for gratuity, leave encashment, leases and property, plant & equipment.

40 Basic and diluted earnings per share

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Face value per equity share (₹)	10.00	10.00
Profit for the year (₹ million)	2,381.20	935.26
Weighted average number of equity shares	269,542,125	268,954,838
Earnings per share – basic (₹)	8.83	3.48
Effect of dilutive potential equity shares		
Weighted average number of diluted equity shares	272,857,942	270,519,277
Earnings per share – diluted (₹)	8.73	3.46

41 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 2022	31 March 2021
Non-current lease liabilities	656.25	443.68
Current lease liabilities	138.76	123.35
Total	**795.01**	**567.03**

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C Movement in lease liabilities

Particulars	31 March 2022	31 March 2021
Balance at the beginning of the year	567.03	919.93
Additions during the year	376.60	57.18
Finance cost accrued on lease liabilities	56.18	70.43
Payment of lease liabilities	198.59	220.55
Termination/modification of leases	6.21	259.96
Balance at the end of the year	**795.01**	**567.03**

D Contractual maturities of lease liabilities on an undiscounted cash flows basis

Particulars	31 March 2022	31 March 2021
Not later than one year	200.68	170.42
Later than one year and not later than five years	657.53	399.43
Later than five years	136.57	180.07
Total undiscounted lease liabilities	**994.78**	**749.92**

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 commenced, to which the Company is committed.

42 Details of provisions and movements in each class of provisions as required by the Ind-AS 37 on Provisions, Contingent Liabilities and Contingent Assets

42.1 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 2022	31 March 2021
Carrying amount as at the beginning of the year	51.69	0.27
Additional provision made during the year	79.88	51.42
Provision utilised during the year	(8.47)	-
Carrying amount at the end of the year	123.10	51.69

The warranty provision is expected to be utilized over a period of one year.

42.2 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 2022
Carrying amount as at the beginning of the year	-
Additional provision made during the year	175.00
Carrying amount at the end of the year	175.00

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(Amount in ₹ million)

42.3 Contingent liabilities

Guarantees

Particulars	31 March 2022	31 March 2021
Outstanding bank guarantees in routine course of business	12.34	15.57

42.4 Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances):

a. Property, plant and equipment - ₹ 13.34 million (Previous year ₹ 380.21 million).

b. Intangible assets - ₹ 4.46 million (Previous year ₹ 9.85 million).

43 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 2022 is ₹ 4.38 million (Previous year - ₹ 2.47 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 2022 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.

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44 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 2022
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.	Singapore	100
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	60
8	KPIT Technologies GK	Japan	100
Indirect subsidiaries			
9	KPIT Technologies GmbH, Germany (Subsidiary of KPIT Technologies (UK) Limited)	Germany	100
10	KPIT Technologies Inc. (Subsidiary of KPIT Technologies Holding Inc.)	United States of America	100
11	MicroFuzzy Industrie-Elektronic GmbH (Subsidiary of KPIT Technologies GmbH, Germany)	Germany	100
12	PathPartner Technology Inc. (Subsidiary of PathPartner Technology Private Limited, India)	United States of America	60
13	PathPartner Technology GmbH (Subsidiary of PathPartner Technology Private Limited, India)	Germany	60
14	ThaiGerTec Co. Ltd. (Subsidiary of KPIT Technologies (UK) Limited)	Thailand	100
Joint venture/Associate			
15	PathPartner Interior Sensing Private Limited (w.e.f. 20 September 2021)	India	10.62
16	FMS Future Mobility Solutions GmbH (w.e.f. 22 September 2021)	Germany	25
17	Yantra Digital Services Private Limited(i)	India	45

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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. Anant Talaulicar	Independent Director
	Mr. B V R Subbu	Independent Director
	Prof. Alberto Sangiovanni Vincentelli	Independent Director
	Mr. Rafi Maor	Independent Director (upto 9 June 2020)
	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)
	Mr. Vinit Teredesai	Chief Financial Officer (upto 12 June 2020)
	Ms. Priyamvada Hardikar	Chief Financial Officer (w.e.f. 12 June 2020)
	Ms. Nida Deshpande	Company Secretary

C. List of other related parties with whom there are transactions:

Relative of KMP	Mr. Chinmay Pandit
	Ms. Jayada Pandit
	Ms. Anupama Kishor Patil
	Ms. Hemlata Shende
	Ms. Manasi Patil
	Ms. Nirmala Shashishekhar Pandit
Enterprise over which KMP have significant influence	KP Corporate Solutions Limited
	Proficient FinStock LLP
	Kirtane & Pandit LLP
	K & P Management Services Private Limited
	Sentient Labs Private Limited
	KP Capital Advisors Private Limited

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(Amount in ₹ million)

D. Transactions with related parties

No.	Name of related party	31 March 2022		31 March 2021	
		Amount of transactions during the year	Balance as on 31 March 2022 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2021 Debit/(Credit)
Transactions with subsidiary companies[ii]					
1	**KPIT Technologies Holding Inc.**				
	Investment in equity	Nil	1,254.60	Nil	1,254.60
	Dividend received	150.00	Nil	Nil	Nil
2	**MicroFuzzy Industrie-Elektronic GmbH**				
	Sales	514.67	76.45	101.88	49.65
	Reimbursement revenue	48.00		0.47	
	Advance given (net)	0.84	1.45	Nil	0.50
	Reimbursement of expenses (net)	(4.07)		(5.55)	
3	**KPIT Technologies GmbH**				
	Sales	1,358.65		386.42	
	Reimbursement revenue	10.57	659.15	9.89	246.15
	Allocation of administrative support charges	86.23		79.90	
	Software service charges	Nil	(0.08)	Nil	(0.08)
	Advance given (net)	17.78	(2.60)	1.06	134.81
	Reimbursement of expenses (net)	(2.32)		(11.83)	
4	**KPIT Technologies (UK) Limited**				
	Sales	892.94		521.53	
	Reimbursement revenue	(9.48)	120.49	38.78	76.29
	Allocation of administrative support charges	26.61		16.17	
	Software service charges	Nil	(0.00)*	Nil	(0.00)*
	Loan given	Nil		Nil	
	Receipt from repayment of loan	Nil	Nil	518.99	Nil
	Interest income	Nil		13.47	
	Investment in equity	Nil	1,273.72	Nil	1,273.72
	Advance given (net)	12.62		Nil	
	Advance received (net)	Nil	3.70	0.63	0.90
	Reimbursement of expenses (net)	0.23		(0.79)	
	Dividend received	100.50	Nil	Nil	Nil
5	**KPIT Technologies GK**				
	Sales	1,826.14		1,141.27	
	Reimbursement revenue	3.11	341.77	67.57	303.04
	Allocation of administrative support charges	15.48		10.19	
	Investment in equity	Nil	18.08	Nil	18.08
	Advance given (net)	0.07	(0.88)	0.45	(1.98)
	Reimbursement of expenses (net)	(5.35)		(7.75)	
	Dividend received	74.75	Nil	Nil	Nil

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

No.	Name of related party	31 March 2022 Amount of transactions during the year	31 March 2022 Balance as on 31 March 2022 Debit/(Credit)	31 March 2021 Amount of transactions during the year	31 March 2021 Balance as on 31 March 2021 Debit/(Credit)
6	**KPIT Technologies GK (South Korea Branch)**				
	Sales	146.83	4.79	104.13	49.71
	Reimbursement revenue	(4.72)		4.82	
	Advance given (net)	0.70	0.38	2.76	Nil
	Reimbursement of expenses (net)	(0.44)		(0.07)	
7	**KPIT (Shanghai) Software Technology Co. Limited**				
	Sales	280.25	41.78	226.25	64.49
	Reimbursement revenue	2.05		7.07	
	Allocation of administrative support charges	6.50		4.81	
	Software service charges	Nil	(1.06)	Nil	(1.06)
	Investment in equity	Nil	128.84	Nil	128.84
	Reimbursement of expenses (net)	0.01	Nil	(0.46)	0.68
8	**KPIT Technologies (UK) Limited (Italy branch)**				
	Sales	0.48	(0.09)	0.57	0.05
	Reimbursement revenue	(0.34)		0.16	
	Reimbursement of expenses (net)	Nil	Nil	0.01	Nil
9	**KPIT Technologies (UK) Limited (Sweden branch)**				
	Sales	6.28	5.23	39.20	22.36
	Reimbursement revenue	0.44		0.42	
	Advance given (net)	Nil	(0.45)	1.69	0.05
	Reimbursement of expenses (net)	0.23		(0.47)	
10	**KPIT Technolgias Ltda**				
	Sales	Nil	Nil	3.57	3.57
	Investment in equity	Nil	17.48	Nil	17.48
	Reimbursement of expenses (net)	Nil	0.00*	(0.00)*	0.00*
11	**KPIT Technologies Netherlands B.V.**				
	Sales	446.56	52.13	268.74	86.42
	Reimbursement revenue	5.86		1.69	
	Allocation of administrative support charges	11.32		6.75	
	Investment in equity	Nil	34.30	Nil	34.30
	Advance given (net)	7.10	0.04	2.23	0.44
	Reimbursement of expenses (net)	(0.07)		(0.06)	

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

No.	Name of related party	31 March 2022 Amount of transactions during the year	31 March 2022 Balance as on 31 March 2022 Debit/(Credit)	31 March 2021 Amount of transactions during the year	31 March 2021 Balance as on 31 March 2021 Debit/(Credit)
12	**KPIT Technologies Pte. Limited**				
	Sales	Nil	Nil	37.06	Nil
	Reimbursement revenue	Nil		1.16	
	Novation of customer	Nil	Nil	36.97	(36.17)
	Purchase of investment in ThaiGerTec Company Limited	Nil	Nil	0.01	0.01
	Investment in equity	Nil	Nil	Nil	34.63
	Proceeds from capital reduction	34.63	Nil	Nil	Nil
	Advance received (net)	Nil	Nil	Nil	(0.01)
	Reimbursement of expenses (net)	0.12		Nil	
	Dividend received	1.97	Nil	Nil	Nil
13	**KPIT Technologies Inc., USA**				
	Sales	4,555.74	500.27	3,839.66	413.38
	Reimbursement revenue	37.64		140.89	
	Allocation of administrative support charges	170.05		127.20	
	Software service charges	Nil	(0.12)	Nil	(0.12)
	Advance given (net)	21.87	1.84	3.41	6.48
	Reimbursement of expenses (net)	(9.95)		(16.21)	
14	**ThaiGerTec Co., Ltd.**				
	Software service charges	Nil	Nil	43.95	(43.88)
15	**PathPartner Technology Private Limited**				
	Software service charges	13.68	Nil	NA	NA
Transactions with Joint Venture/Associate(ii)					
1	**Yantra Digital Services Private Limited**				
	Purchase of Components	Nil	Nil	Nil	(9.20)
	Proceeds from liquidation process	3.15	Nil	Nil	Nil
2	**PathPartner Interior Sensing Private Limited**				
	Investment in equity	2.52	2.52	NA	NA
Transactions with Key Management Personnel(iii)					
1	**Mr. S. B. (Ravi) Pandit**				
	Post employment benefits	Nil	Nil	4.01	Nil
	Dividend paid	2.72	Nil	Nil	Nil
	Commission paid	3.80	Nil	Nil	Nil
	Sitting fees	0.97	Nil	Nil	Nil
	Reimbursement of expenses (net)	0.03	(0.21)	Nil	Nil

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

No.	Name of related party	31 March 2022 Amount of transactions during the year	31 March 2022 Balance as on 31 March 2022 Debit/(Credit)	31 March 2021 Amount of transactions during the year	31 March 2021 Balance as on 31 March 2021 Debit/(Credit)
2	**Mr. Kishor Patil**				
	Short term employee benefits	44.92	Nil	29.90	Nil
	Post employment benefits	1.51	Nil	1.31	Nil
	Perquisites	Nil	Nil	0.08	Nil
	Repayment of loan granted	Nil	Nil	5.25	Nil
	Interest received	Nil		0.20	
	Dividend paid	36.70	Nil	Nil	Nil
	Reimbursement of expenses (net)	0.63	(0.01)	0.04	Nil
3	**Mr. Sachin Tikekar**				
	Short term employee benefits	41.88	Nil	28.29	Nil
	Post employment benefits	1.09	Nil	0.42	Nil
	Dividend paid	2.19	Nil	Nil	Nil
	Reimbursement of expenses (net)	Nil	(0.01)	0.17	(0.00)*
4	**Mr. Anup Sable**				
	Short term employee benefits	2.55	Nil	NA	NA
	Post employment benefits	0.08	Nil	NA	NA
	Share based compensation	0.30	Nil	NA	NA
	Dividend paid	0.50	Nil	NA	NA
	Reimbursement of expenses (net)	0.82	0.62	NA	NA
5	**Mr. Anant Talaulicar**				
	Commission paid	2.66	Nil	2.95	Nil
	Sitting fees	0.91	Nil	0.26	Nil
6	**Mr. B V R Subbu**				
	Commission paid	2.34	Nil	2.60	Nil
	Sitting fees	0.57	Nil	0.23	Nil
7	**Ms. Shubhalakshmi Panse**				
	Commission paid	1.85	Nil	2.05	Nil
	Sitting fees	0.14	Nil	0.22	Nil
8	**Prof. Alberto Sangiovanni Vincentelli**				
	Commission paid	2.13	Nil	2.33	Nil
	Reimbursement of expenses (net)	Nil	Nil	0.91	0.00*
	Sitting fees	0.32	(0.05)	0.06	Nil
9	**Mr. Rafi Maor**				
	Commission paid	NA	NA	1.59	Nil
	Sitting fees	NA	NA	0.02	Nil
10	**Mr. Nickhil Jakatdar**				
	Commission paid	1.38	Nil	1.53	Nil
	Sitting fees	0.30	Nil	0.06	Nil

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

No.	Name of related party	31 March 2022		31 March 2021	
		Amount of transactions during the year	Balance as on 31 March 2022 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2021 Debit/(Credit)
11	**Ms. Bhavna Doshi**				
	Sitting fees	0.18	Nil	NA	NA
12	**Prof. Rajiv Lal**				
	Sitting fees	0.06	Nil	NA	NA
13	**Mr. Vinit Teredesai**				
	Short term employee benefits	NA	NA	1.66	Nil
	Post employment benefits	NA	NA	0.05	Nil
	Reimbursement of expenses (net)	NA	NA	0.10	Nil
14	**Ms. Priyamvada Hardikar**				
	Short term employee benefits	9.15	Nil	5.88	Nil
	Post employment benefits	0.23	Nil	0.16	Nil
	Share based compensation	0.98	Nil	1.14	Nil
	Perquisites	3.87	Nil	Nil	Nil
	Dividend paid	0.16	Nil	Nil	Nil
	Reimbursement of expenses (net)	0.00*	(0.00)*	Nil	Nil
15	**Ms. Nida Deshpande**				
	Short term employee benefits	2.67	Nil	1.95	Nil
	Post employment benefits	0.08	Nil	0.06	Nil
	Perquisites	0.48	Nil	Nil	Nil
	Dividend paid	0.00*	Nil	Nil	Nil
	Share based compensation	0.18	Nil	0.23	Nil
Transactions with relative of Key Management Personnel(iii)					
1	**Mr. Chinmay Pandit(iv)**				
	Short term employee benefits	3.09	Nil	5.71	Nil
	Post employment benefits	0.05	Nil	0.16	Nil
	Dividend paid	0.11	Nil	Nil	Nil
	Reimbursement of expenses (net)	0.03	Nil	Nil	Nil
2	**Ms. Jayada Pandit**				
	Short term employee benefits	2.47	Nil	1.73	Nil
	Post employment benefits	0.07	Nil	0.06	Nil
3	**Ms. Manasi Patil**				
	Short term employee benefits	2.56	Nil	1.69	Nil
	Post employment benefits	0.07	Nil	0.06	Nil
	Dividend paid	0.01	Nil	Nil	Nil
4	**Ms. Hemlata Shende**				
	Dividend paid	0.11	Nil	Nil	Nil
5	**Ms. Anupama Patil**				
	Dividend paid	4.44	Nil	Nil	Nil

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

No.	Name of related party	31 March 2022 Amount of transactions during the year	31 March 2022 Balance as on 31 March 2022 Debit/(Credit)	31 March 2021 Amount of transactions during the year	31 March 2021 Balance as on 31 March 2021 Debit/(Credit)
6	**Ms. Nirmala Shashishekhar Pandit**				
	Dividend paid	0.66	Nil	Nil	Nil
Transactions with enterprise over which Key Management Personnel have significant influence[(ii)]					
1	**Kirtane & Pandit LLP**				
	Professional fees	1.51	(0.24)	1.63	Nil
	Reimbursement of expenses (net)	0.01	Nil	Nil	Nil
2	**K & P Management Services Private Limited**				
	Dividend paid	0.83	Nil	Nil	Nil
3	**KP Capital Advisors Private Limited**				
	Professional fees	0.25	(0.05)	0.30	Nil
4	**KP Corporate Solutions Limited**				
	Professional fees	8.68	Nil	4.99	(0.10)
5	**Proficient FinStock LLP**				
	Advance received (net)	Nil	Nil	137.44	(137.44)
	Settlement of advance	137.44		Nil	
	Dividend paid	244.37	Nil	Nil	Nil
6	**Sentient Labs Private Limited**				
	Advance received (net)	Nil	(43.37)	17.52	(17.52)
	Reimbursement of expenses (net)	189.74		87.30	

*Since denominated in ₹ millions.

(i) The investee is a associate as defined under section 2(87) of the Companies Act, 2013. For the purpose of Ind-AS financial statements, the entity has been considered as a Joint Venture as defined under Ind-AS 28 : Investments in Associates and Joint Ventures.

(ii) All transactions with these related parties are priced on an arm's length basis.

(iii) Remuneration excludes provision for gratuity and compensated absences as separate actuarial valuation for the directors, key management personnel and their relatives is not available.

(iv) Deputed on secondment to KPIT Technologies Inc., USA, a wholly owned subsidiary, with effect from 26 July 2021.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

45 Analytical ratios

Ratio/measure	Numerator	Denominator	31 March 2022	31 March 2021	Variance
Current ratio (Refer note i below)	Current assets	Current liabilities	2.51	3.42	-26.57%
Debt-equity ratio	Total debt[a]	Shareholders' equity	0.07	0.06	17.98%
Debt service coverage ratio (Refer note ii below)	Earnings available for debt service[b]	Debt service[c]	15.87	3.59	342.06%
Return on equity (Refer note ii below)	Net profits after taxes	Average shareholders' equity	21.01%	9.45%	122.40%
Trade receivables turnover ratio (Refer note ii below)	Revenue from operations	Average trade receivables	5.21	3.07	69.86%
Trade payables turnover ratio	Purchase of services and other expenses	Closing trade payables[e]	2.59	2.10	23.33%
Net capital turnover ratio (Refer note ii below)	Revenue from operations	Working capital	2.27	1.66	36.98%
Net profit ratio (Refer note ii below)	Net profit after tax	Revenue	20.16%	11.65%	73.08%
Return on capital employed (Refer note ii below)	Earning before interest and taxes	Capital Employed[d]	22.52%	9.98%	125.60%
Return on investment (treasury operations)	Income generated from investments[f]	Time weighted average investment			
Quoted			3.51%	3.40%	3.24%
Unquoted			4.95%	4.59%	7.84%

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. The recognition of contractual obligation for acquisitions of non-controlling interest has majorly resulted into decrease in the ratio.

ii. Revenue growth with higher operational efficiency has resulted into improvement in the respective ratios. Current year profits also include dividend income from subsidiary companies, which further improved the ratio.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

46 Expenditure and earnings in foreign Currency

A. Expenditure in foreign Currency

Particulars	31 March 2022	31 March 2021
Cost of professional sub-contracting (net)	16.41	15.01
Employee benefits expense	24.19	8.92
Finance costs	-	5.03
Professional charges	18.71	7.55
Recruitment and training expenses	27.07	17.46
Other expenses	0.87	23.24
Bad debts written off	-	33.91
Provision for doubtful debts and advances (net)	-	55.74

B Earnings in foreign Currency

Particulars	31 March 2022	31 March 2021
Revenue from operations	10,708.22	6,979.20
Dividend income	327.22	-
Interest income	-	14.28
Other non-operating income	0.24	-

47 Particulars of loans and advances in nature of loans required to be disclosed in the annual accounts of the Company pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name of party	Purpose	31 March 2022		31 March 2021	
		Balance	Maximum amount outstanding	Balance	Maximum amount outstanding
KPIT Technologies (UK) Limited (including interest)	Working Capital	-	-	-	523.73

48 Segment information

Where a financial report contains both consolidated financial statements and separate financial statements of the parent, segment information needs to be presented only in case of consolidated financial statements. Accordingly, segment information has been provided only in the consolidated financial statements.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

49 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 has become effective. Accordingly, the Company has 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 have 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 has 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 are due between the Transferor Company and the Transferee Company, if any, ipso facto, stand discharged and come to end and the same is 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 have 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 has been adjusted against balance of reserves and surplus of the Transferee Company post-merger.

v. The identity of the reserves has 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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

b) The book value of assets and liabilities taken over from the Transferor Company as on the Appointed Date were:

	Amount (₹ million)
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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

(Amount in ₹ million)

	Amount (₹ million)
Current liabilities	
Financial liabilities	
Trade payables	
(i) Total outstanding dues of micro enterprises and small enterprises	-
(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 is ₹ 1,500.00 million divided into 150 million equity shares of ₹ 10 each.

50 Investment in PathPartner Technology Private Limited

Effective 1 October 2021, the Company has 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 is ₹ 890 million. The purchase consideration of ₹ 263.96 million is outstanding to be payable to the Tranche 1 shareholders as at 31 March 2022.

Further, the Share Purchase Agreement also provides for an acquisition of the balance stake under Tranche 2 and Tranche 3. Accordingly, the Company has recognised a contractual obligation of ₹ 871.84 million towards the said acquisition.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

51 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 2022	31 March 2021
a. Amount required to be spent by the company during the year	27.60	18.63
b. Amount of expenditure incurred for purposes other than construction/ acquisition of any asset	38.22	15.32
c. Shortfall at the end of the year	-	3.31
d. Total of previous years shortfall	-	-
e. Reason for shortfall	NA	Due to ongoing projects
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	-	-

During the previous year, the Company had also provided for an amount of ₹ 3.31 million, towards unspent CSR amount. The movement in the said provision is as under:

Particulars	31 March 2022	31 March 2021
Carrying amount as at the beginning of the year	3.31	-
Additional provision made during the year	-	3.31
Spend during the year	(3.31)	-
Carrying amount at the end of the year	-	3.31

Also, refer Annexure 5 of the Director’s Report.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended on 31 March 2022

52 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 2021-2022.

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

UDIN: 22113896AHWJXE6281

Place: Pune
Date: 27 April 2022

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: 27 April 2022

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"), its associate and its joint ventures, which comprise the consolidated balance sheet as at 31 March 2022, 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 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, its associate and joint ventures as at 31 March 2022, of its consolidated profit and other comprehensive loss, 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, its associate and joint ventures 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 the "Other Matter" 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.

Description of Key Audit Matter

The key audit matter	How the matter was addressed in our audit
Revenue recognition in respect of fixed price contracts 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: ➤ Evaluating the identification of performance obligations.

• 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 41 to the consolidated financial statements)	➤ Agreeing the transaction price to the underlying contracts. ➤ Inspecting the approval of the estimates of cost to complete. ➤ Challenging the Group's estimate of contract cost through a retrospective comparison of costs incurred with budgeted costs. Identifying significant variations and testing variations resulting into re-estimating the remaining costs to complete the contract. ➤ Assessing the work in progress (contract assets) on the balance sheet date by inspecting the underlying invoices and signed agreements on sample basis to identify possible delays in achieving milestones. Those may require change in estimated costs to complete the remaining performance obligations. ➤ Comparing, on a sample basis, revenue transactions recorded during the year with the underlying contracts, actual costs incurred, and invoices raised on customers. Also, checked the related revenue, contract costs, provision for onerous contracts, contract assets and unearned revenue had been recognised in accordance with the requirements of Ind AS 115. ➤ Performing analytical procedures on incurred and estimated contract costs or efforts. It includes assessment of contracts with unusual or negative margins, little or no movement in efforts from previous periods. We also performed analytical procedures on contract assets with little or no movement in invoicing from previous periods.
Impairment of goodwill 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 2.3(v), 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 in impairment analysis, such as projected EBITDA & revenue growth rate, terminal growth rates and discount rates, by: ➤ comparing the same to externally derived data and industry comparators, where available; ➤ assessing the sensitivity of key assumptions on the impairment assessment; ➤ 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 valuations team 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.

Information Other than the Consolidated 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 Holding Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors'/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 associate and joint ventures 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 associate and joint ventures 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 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 ESOP trust included in the Group and respective Management and Board of Directors of its associate and joint ventures 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 Management and Board of Directors of the companies/Board of Trustees of the ESOP trust included in the Group and respective Management and Board of Directors of its associate and joint ventures is 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 associate and joint ventures 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 associate and joint ventures 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 section titled "Other Matter" 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 Matter

We did not audit the financial statements of seven subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 4,006.16 million as at 31 March 2022, total revenues (before consolidation adjustments) of Rs. 2,477.01 million and net cash inflows (before consolidation adjustments) amounting to Rs. 437.07 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 the above matters with respect to our reliance on the work done and the reports of the other auditors.

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 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, associate company and joint venture company incorporated in India, none of the directors of the Group companies, its associate company and joint venture company incorporated in India is disqualified as on 31 March 2022 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, associate company and joint venture 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the 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 2022 which would impact the consolidated financial position of the Group, its associate and joint ventures.

(b) The Group, its associate and joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2022.

(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 or its associate company and joint venture company incorporated in India during the year ended 31 March 2022 except for the following:
There is an instance of delay in transferring amount, to the Investor Education and Protection Fund by one of the subsidiary company incorporated in India, during the year ended 31 March 2022 - INR 0.25 million declared in Seventh Annual General Meeting of the Company held on 30 September 2013. There is a delay of 549 days in transferring the said amount to Investor Education and Protection Fund.

(d) (i) The management has represented that, to the best of its knowledge and belief, 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 its subsidiary company, associate company and joint venture company incorporated in India to or in any other persons or entities, 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 ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies, associate companies and joint venture companies and joint operation companies incorporated in India or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary company, associate company and joint venture company incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary company, associate company and joint venture company incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d)(i) and (d)(ii) contain any material misstatement.

(e) The dividend declared or paid during the year by the Holding Company and its subsidiary company, associate company and joint venture company incorporated in India is in compliance with Section 123 of the Act.

(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 and based on the reports of the statutory auditors of such subsidiary company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary company, associate company and joint venture 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, associate company and joint venture 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
UDIN: 22113896AHWJXZ1311

Place: Pune
Date: 27 April 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF KPIT TECHNOLOGIES LIMITED

Referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report of even date on the consolidated financial statements for the year ended 31 March 2022, we report that:

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
UDIN: 22113896AHWJXZ1311

Place: Pune
Date: 27 April 2022

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KPIT TECHNOLOGIES LIMITED FOR THE PERIOD ENDED 31 MARCH 2022

Annexure B to the Independent Auditors' report on the consolidated financial statements of KPIT Technologies Limited for the period ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of KPIT Technologies Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary company, its associate company and its joint venture company, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary company, its associate company and joint venture company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary company, associate company and joint venture company in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one subsidiary company, one associate company and one joint venture company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

Swapnil Dakshindas
Partner
Membership No. 113896
UDIN: 22113896AHWJXZ1311

Place: Pune
Date: 27 April 2022

CONSOLIDATED BALANCE SHEET

(Amount in ₹ million)

	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,936.72	1,968.11
Right-of-use assets	4	2,503.32	2,505.07
Capital work-in-progress	5	4.09	117.90
Goodwill	6	1,678.66	1,013.76
Other intangible assets	7	289.77	282.17
Intangible assets under development	8	-	2.82
Investments accounted for using the equity method	9	216.14	-
Financial assets			
Investments	10	0.42	10.43
Other financial assets	11	538.83	81.57
Income tax assets (net)		279.59	150.09
Deferred tax assets (net)	12	763.83	553.67
Other non-current assets	13	8.50	32.79
		8,219.87	**6,718.38**
Current assets			
Financial assets			
Investments	14	1,075.68	1,261.59
Trade receivables	15		
Billed		3,714.47	3,083.47
Unbilled		695.41	693.60
Cash and cash equivalents	16	3,420.63	2,857.70
Other balances with banks	17	5,507.34	4,150.27
Loans	18	-	4.34
Other financial assets	19	279.73	536.99
Other current assets	20	448.34	369.05
		15,141.60	**12,957.01**
TOTAL ASSETS		**23,361.47**	**19,675.39**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	21	2,700.17	2,690.44
Other equity		10,395.50	9,377.97
Equity attributable to owners of the Company		13,095.67	12,068.41
Non-controlling interests	52	155.47	28.74
Total equity		**13,251.14**	**12,097.15**

CONSOLIDATED BALANCE SHEET

(Amount in ₹ million)

	Note	As at 31 March 2022	As at 31 March 2021
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	22	18.65	24.04
Lease liabilities	47	1,833.95	1,900.56
Other financial liabilities	23	926.77	280.49
Provisions	24	254.29	96.40
Deferred tax liabilities (net)	25	0.07	0.07
		3,033.73	**2,301.56**
Current liabilities			
Financial liabilities			
Borrowings	26	7.15	7.29
Lease liabilities	47	412.51	367.86
Trade payables	27		
(i) Total outstanding dues of micro enterprises and small enterprises		5.70	2.47
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,366.60	1,349.95
Other financial liabilities	28	1,899.28	861.41
Other current liabilities	29	2,421.04	2,104.42
Provisions	30	658.45	336.17
Income tax liabilities (net)		305.87	247.11
		7,076.60	**5,276.68**
TOTAL EQUITY AND LIABILITIES		**23,361.47**	**19,675.39**

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

UDIN: 22113896AHWJXZ1311

Place: Pune
Date: 27 April 2022

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: 27 April 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Amount in ₹ million)

	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations	31	24,323.86	20,357.41
Other income	32	448.09	157.62
Total income		**24,771.95**	**20,515.03**
Expenses			
Cost of materials consumed	33	-	0.52
Changes in inventories of finished goods and work-in-progress	34	-	-
Employee benefits expense	35	16,105.99	13,414.66
Finance costs	36	193.95	172.53
Depreciation and amortisation expense		1,196.14	1,331.74
Other expenses	37	3,832.41	3,870.84
Total expenses		**21,328.49**	**18,790.29**
Profit before share of profit/(loss) of equity accounted investee, exceptional items and tax		**3,443.46**	**1,724.74**
Share of profit/(loss) of equity accounted investees (net of tax)		1.98	-
Profit before exceptional items and tax		**3,445.44**	**1,724.74**
Exceptional items	44	-	51.49
Profit before tax		**3,445.44**	**1,776.23**
Tax expense	45		
Current tax		836.11	496.11
Deferred tax		(153.10)	(190.91)
Total tax expense		**683.01**	**305.20**
Profit for the year		**2,762.43**	**1,471.03**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit plans - gain/(loss)	42	(75.00)	21.55
Income tax on items that will not be reclassified subsequently to profit or loss		25.57	(6.40)
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translation of financial statements of foreign operations		13.51	60.61
Effective portion of gains on hedging instruments in cash flow hedges	38	20.17	155.46
Income tax on items that will be reclassified subsequently to profit or loss		(6.94)	(54.33)
Total other comprehensive income/(loss)		**(22.69)**	**176.89**
Total comprehensive income for the year		**2,739.74**	**1,647.92**

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Amount in ₹ million)

	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit for the year attributable to			
Owners of the Company		2,742.33	1,461.37
Non-controlling interests		20.10	9.66
Profit for the year		**2,762.43**	**1,471.03**
Other comprehensive income/(loss) for the year attributable to			
Owners of the Company		(28.14)	175.97
Non-controlling interests		5.45	0.92
Other comprehensive income for the year		**(22.69)**	**176.89**
Total comprehensive income for the year attributable to			
Owners of the Company		2,714.19	1,637.34
Non-controlling interests		25.55	10.58
Total comprehensive income for the year		**2,739.74**	**1,647.92**
Earnings per equity share (face value per share ₹ 10 each)	46		
Basic		10.17	5.43
Diluted		10.05	5.40

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

UDIN: 22113896AHWJXZ1311

Place: Pune
Date: 27 April 2022

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: 27 April 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Amount in ₹ million)

A Equity share capital (Refer note 21)

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

Balance as at 1 April 2020	Changes in equity share capital due to prior period errors	Restated balance as at 1 April 2020	Changes in equity share capital during the year	Balance as at 31 March 2021
2,688.80	-	2,688.80	1.64	2,690.44

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	Foreign currency translation reserve	Effective portion of cash flow hedges (Refer note 38.3)	Re-measurement of net defined benefit plan (Refer note 42)			
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 21.7)	-	-	(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)

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	Foreign currency translation reserve	Effective portion of cash flow hedges (Refer note 38.3)	Re-measurement of net defined benefit plan (Refer note 42)			
Balance as at 1 April 2020	**1,870.47**	**(113.92)**	**5,889.05**	**48.70**	**268.72**	**(56.46)**	**(104.25)**	**7,802.31**	**35.71**	**7,838.02**
Profit for the year	-	-	1,461.37	-	-	-	-	1,461.37	9.66	1,471.03
Other comprehensive income (net of tax)	-	-	-	-	59.69	101.13	15.15	175.97	0.92	176.89
Total comprehensive income/(loss) for the year	**-**	**-**	**1,461.37**	**-**	**59.69**	**101.13**	**15.15**	**1,637.34**	**10.58**	**1,647.92**
Others										
Accumulated surplus of employee welfare trust	-	-	4.92	-	-	-	-	4.92	-	4.92
Effect on account of purchase of non-controlling interest	(170.41)	-	-	-	-	-	-	(170.41)	(17.55)	(187.96)
Transfer to general reserve from share based payment reserve	-	9.62	-	(9.62)	-	-	-	-	-	-
Share based payment to employees (net)	-	-	-	103.81	-	-	-	103.81	-	103.81
Balance as at 31 March 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**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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 43 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.

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

UDIN: 22113896AHWJXZ1311

Place: Pune
Date: 27 April 2022

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: 27 April 2022

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amount in ₹ million)

		For the year ended 31 March 2022	For the year ended 31 March 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit for the year	2,762.43	1,471.03
	Adjustments for:		
	Tax expense	683.01	305.20
	Depreciation and amortisation expense	1,196.14	1,331.74
	Interest expense	193.95	172.53
	Interest income	(194.33)	(104.19)
	Dividend income	(3.60)	(2.23)
	Property, plant and equipments and other intangible assets written off	126.19	-
	Net loss/(profit) on disposal of property, plant and equipments	(0.72)	6.75
	Exceptional items	-	(51.49)
	Unrealised gain on investment carried at fair value through profit and loss (net)	(50.67)	(18.33)
	Realised gain on investment carried at fair value through profit and loss (net)	(26.51)	(1.41)
	Provision for doubtful debts and advances (net)	(112.92)	192.22
	Bad debts written off	68.57	49.83
	Share based compensation expenses	87.97	103.60
	Net unrealised foreign exchange loss	13.76	68.30
	Others	20.16	3.56
	Operating profit before working capital changes	**4,763.43**	**3,527.11**
	Adjustments for changes in working capital:		
	Trade receivables	(370.16)	1,062.92
	Inventories	-	110.46
	Other financials assets, loans and other assets	(23.51)	209.84
	Trade payables	(19.95)	505.50
	Other financial liabilities, other liabilities and provisions	1,288.34	1,187.67
	Cash generated from operations	**5,638.15**	**6,603.50**
	Taxes paid (net)	(888.25)	(327.46)
	Net cash generated from operating activities (A)	**4,749.90**	**6,276.04**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment and intangible assets	(686.04)	(599.75)
	Proceeds from sale of property, plant and equipment	0.95	4.97
	Acquisition of a subsidiary	(626.04)	-
	Acquisition of non-controlling interests	(231.83)	(225.58)
	Investment in mutual fund	(2,625.34)	(2,916.00)
	Proceeds from sale of investment in mutual fund	2,865.17	1,722.06
	Deferred consideration received on sale of investment in subsidiary in the past	-	19.45
	Proceed from sale of investments carried at fair value through profit and loss	69.11	34.33
	Investment in equity accounted investees	(214.16)	-

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amount in ₹ million)

		For the year ended 31 March 2022	For the year ended 31 March 2021
	Interest received	140.26	52.97
	Dividend received	3.60	2.23
	Fixed deposits with banks (net) having original maturity over three months	(1,719.73)	(3,103.12)
	Net cash used in investing activities (B)	**(3,024.05)**	**(5,008.44)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of long term loan from banks*	(3.50)	(382.03)
	Repayment of long term loan from other than banks*	(1.87)	-
	Payment of lease liabilities*	(515.58)	(561.14)
	Proceeds from working capital loan*	1,801.39	2,178.60
	Repayment of working capital loan*	(1,801.39)	(2,344.70)
	Proceeds from shares issued by Employee Welfare Trust (net)	27.45	6.56
	Dividend paid	(741.30)	-
	Interest and finance charges paid	(31.86)	(45.03)
	Net cash used in financing activities (C)	**(1,266.66)**	**(1,147.74)**
D	**Exchange differences on translation of foreign currency cash and cash equivalents**	8.12	(21.01)
	Net increase in cash and cash equivalents (A + B + C + D)	**467.31**	**98.85**
	Cash and cash equivalents at close of the year (Refer note 16)	3,420.63	2,857.70
	Cash and cash equivalents at beginning of the year	2,857.70	2,758.85
	Cash and cash equivalents on account of acquisition of a subsidiary (Refer note 51.1)	95.62	-
	Cash surplus for the year	**467.31**	**98.85**

***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

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amount in ₹ million)

***Reconciliation of liabilities from financing activities for the year ended 31 March 2021:**

Particulars	Non-current borrowings (including related current portion)	Current borrowings	Leases (Refer note 41)
Balance at the start of the year	413.15	166.10	1,457.46
Add: Cash inflow (proceeds of working capital loans from banks)	-	2,178.60	-
Less: Cash outflow (repayment of loans and payment of lease liabilities)	382.03	2,344.70	561.14
Add: Non-cash changes (including effects of unrealised foreign exchange)	0.21	-	1,372.10
Closing balance at the end of the year	31.33	-	2,268.42

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

UDIN: 22113896AHWJXZ1311

Place: Pune
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For and on behalf of the Board of Directors of
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Priyamvada Hardikar
Chief Financial Officer

Nida Deshpande
Company Secretary

Place: Pune
Date: 27 April 2022

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended on 31 March 2022

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 7500+ 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 27 April 2022.

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 determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions (if any).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended on 31 March 2022

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 42 and note 43.

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.

ix. Estimation of uncertainties relating to the global health pandemic from COVID-19

In view of pandemic relating to COVID -19, the Group has considered internal and external information and has performed sensitivity analysis based on current estimates in assessing the recoverability of receivables, unbilled receivables, goodwill, intangible assets and other financial assets. The Group has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial reporting controls etc. and is of the view that based on its present assessment this situation does not materially impact this consolidated financial statements as on 31 March 2022. However, the actual impact of COVID-19 on the consolidated financial statements, in future, may differ from that estimated and the Group will continue to closely monitor any material changes to future economic conditions.

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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended on 31 March 2022

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 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.

2.6 Current–non-current classification

All assets and liabilities are classified into current and non-current.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended on 31 March 2022

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. For translating the financial statements of foreign branches and subsidiaries, their functional currencies are determined. The results and the financial position of the foreign branches and subsidiaries are translated into presentation currency so that the foreign operation could be included in the consolidated financial statements.

The assets and liabilities of the foreign operation with functional currencies other than the presentation currency are translated to the presentation currency using the closing exchange rate on the Balance Sheet date and the Statement of Profit and Loss using the average exchange rates for the month in which the transactions occur. The resulting exchange differences are accumulated in 'foreign currency translation reserve' in the Statement of Changes in Equity through other comprehensive income. On the disposal of a foreign operation, the cumulative amount of the foreign currency translation reserve which relates to that operation is reclassified from equity to the Statement of Profit and Loss (as a reclassification adjustment) when the gain or loss on disposal is 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended on 31 March 2022

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 be a derivative, 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.

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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.

For all other financial instruments the carrying amount approximates fair value due to short maturity of those instruments.

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.

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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.

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 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

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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 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.

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.

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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 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.

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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.

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.

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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 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

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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 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.

2.19 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.

2.20 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

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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.

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

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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 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 March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind-AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind-AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind-AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

Ind-AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind-AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its financial statements.

NOTES FORMING PART OF THE CONSOLIDATED 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 2020	**1,036.98**	**237.31**	**1,071.70**	**215.27**	**51.00**	**481.23**	**3,093.49**
Additions	-	43.78	120.57	42.23	1.64	37.63	245.85
Disposal/retirement/derecognition	0.26	49.58	2.57	20.51	-	30.47	103.39
Exchange difference on translation	-	1.17	6.32	1.36	0.32	2.58	11.75
Gross carrying amount as at 31 March 2021	**1,036.72**	**232.68**	**1,196.02**	**238.35**	**52.96**	**490.97**	**3,247.70**
Accumulated depreciation as at 1 April 2020	**44.54**	**129.92**	**467.32**	**98.55**	**25.54**	**198.75**	**964.62**
Depreciation for the year	35.81	9.62	234.06	26.45	5.83	44.11	355.88
Disposal/retirement/derecognition	0.02	16.23	1.84	11.73	-	17.06	46.88
Exchange difference on translation	-	0.07	2.90	0.53	0.24	2.23	5.97
Accumulated depreciation as at 31 March 2021	**80.33**	**123.38**	**702.44**	**113.80**	**31.61**	**228.03**	**1,279.59**
Carrying amount as at 31 March 2020	**992.44**	**107.39**	**604.38**	**116.72**	**25.46**	**282.48**	**2,128.87**
Carrying amount as at 31 March 2021	**956.39**	**109.30**	**493.58**	**124.55**	**21.35**	**262.94**	**1,968.11**
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 (Refer note 51.1)	-	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 (Refer note 51.1)	-	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**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

4 Right-of-use assets

	Building (Leasehold)	Land (Leasehold)	Vehicles	Total
Gross carrying amount as at 1 April 2020	**1,495.08**	**405.40**	**6.70**	**1,907.18**
Additions	1,560.14	18.50	-	1,578.64
Derecognition/adjustments	382.45	-	-	382.45
Exchange difference on translation	16.15	-	-	16.15
Gross carrying amount as at 31 March 2021	**2,688.92**	**423.90**	**6.70**	**3,119.52**
Accumulated depreciation as at 1 April 2020	**252.10**	**20.76**	**6.70**	**279.56**
Depreciation for the year	458.13	4.55	-	462.68
Derecognition/adjustments	127.83	-	-	127.83
Exchange difference on translation	0.04	-	-	0.04
Accumulated depreciation as at 31 March 2021	**582.44**	**25.31**	**6.70**	**614.45**
Carrying amount as at 31 March 2020	**1,242.98**	**384.64**	**-**	**1,627.62**
Carrying amount as at 31 March 2021	**2,106.48**	**398.59**	**-**	**2,505.07**
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 (Refer note 51.1)	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 (Refer note 51.1)	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**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

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 2022					
Projects in progress	4.09	-	-	-	4.09
Project temporarily suspended	-	-	-	-	-
Total	**4.09**	**-**	**-**	**-**	**4.09**
As at 31 March 2021					
Projects in progress	67.05	18.78	0.22	-	86.05
Project temporarily suspended (Refer note i below)	11.05	20.80	-	-	31.85
Total	**78.10**	**39.58**	**0.22**	**-**	**117.90**

Note:

(i) During the current year, the project is permanently suspended.

(ii) 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.

6 Goodwill

	31 March 2022	31 March 2021
Carrying amount at the beginning of the year	1,013.76	987.80
Additions on account of acquisition (Refer note 51.1)	718.09	-
Impairment	40.94	-
Exchange difference on translation	(12.25)	25.96
Carrying amount at the end of the year	**1,678.66**	**1,013.76**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

7 Other intangible assets

	Internally Generated		Other than Internally Generated Software	Total
	Product Development Cost	Technical know how		
Gross carrying amount as at 1 April 2020	**929.70**	**9.51**	**1,174.77**	**2,113.98**
Additions	-	-	273.50	273.50
Exchange difference on translation	2.35	-	3.13	5.48
Gross carrying amount as at 31 March 2021	**932.05**	**9.51**	**1,451.40**	**2,392.96**
Accumulated amortisation as at 1 April 2020	**713.00**	**9.51**	**871.55**	**1,594.06**
Amortisation for the year	208.75	-	304.43	513.18
Exchange difference on translation	1.85	-	1.70	3.55
Accumulated amortisation as at 31 March 2021	**923.60**	**9.51**	**1,177.68**	**2,110.79**
Carrying amount as at 31 March 2020	**216.70**	**-**	**303.22**	**519.92**
Carrying amount as at 31 March 2021	**8.45**	**-**	**273.72**	**282.17**
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 (Refer note 51.1)	-	-	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 (Refer note 51.1)	-	-	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**

8 Intangible assets under development 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	
Projects in progress					
As at 31 March 2022	-	-	-	-	-
As at 31 March 2021	2.69	0.13	-	-	2.82

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 2022	31 March 2021
Yantra Digital Services Private Limited	169.59	169.59
5,400 (Previous year 5,400) equity shares of ₹ 10 each fully paid		
Less: Share of accumulated losses	169.59	169.59
	-	-
FMS Future Mobility Solutions GmbH	211.64	-
100,001 (Previous year Nil) equity shares of EUR 1 each fully paid		
Add: Share of profit	4.24	-
	215.88	-
PathPartner Interior Sensing Private Limited	2.52	-
252,000 (Previous year Nil) equity shares of ₹ 10 each fully paid		
Add: Share of loss	(2.26)	-
	0.26	-
	216.14	**-**

Note:

(i) The Group has no material associate/joint venture for the disclosures as per Ind-AS 112.

10 Non current investments

(Unquoted)

	31 March 2022	31 March 2021
Investments in equity instruments of other entities measured at fair value through profit or loss		
Lithium Urban Technologies Private Limited	-	10.00
Nil (Previous year 5,819) equity shares of ₹ 10 each fully paid		
Munchner bank	0.42	0.43
100 (Previous year 100) equity shares of EUR 50 each fully paid up		
	0.42	10.43
	0.42	**10.43**

Note:

(i) Information about the Group's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 38.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

11 Other financial assets

(Unsecured, considered good unless otherwise stated)

	31 March 2022	31 March 2021
Fixed deposits with banks	277.93	14.52
Earmarked balances with banks	128.87	-
Security deposits	127.98	64.32
Interest accrued on fixed deposits	4.05	2.73
	538.83	**81.57**

Note:

(i) Information about the Group's exposure to credit risk and foreign currency risk is disclosed in note 38.

12 Deferred tax assets (net)

	31 March 2022	31 March 2021
Deferred tax assets		
Provision for bad and doubtful debts and advances	23.33	78.89
Excess of depreciation/amortisation on property, plant and equipment and other intangible assets provided in accounts over depreciation/amortisation under income-tax law	17.91	-
Provision for compensated absences	29.75	25.94
Provision for gratuity	61.73	74.78
MAT credit entitlement	466.16	334.04
Others	221.63	89.82
	820.51	603.47
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	16.86
Forward contracts designated as cash flow hedges	30.94	23.99
Others	19.86	8.95
	56.68	49.80
	763.83	**553.67**

13 Other non-current assets

(Unsecured, considered good unless otherwise stated)

	31 March 2022	31 March 2021
Capital advances	7.14	14.48
Prepaid expenses	1.36	0.91
Others	-	17.40
	8.50	**32.79**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

14 Current investments

(Quoted)

	31 March 2022	31 March 2021
Investments measured at fair value through profit or loss		
Mutual fund units (Refer note i below)	1,045.55	1,202.08
Shares of Birlasoft Limited held by KPIT Employee Welfare Trust	30.13	59.51
	1,075.68	**1,261.59**

Note:

(i) Details of investment in mutual fund units

Particulars	31 March 2022		31 March 2021	
	Units	Amount	Units	Amount
Axis Liquid Fund - Regular Growth	-	-	112,677.24	256.08
Axis Overnight Fund - Regular Growth	-	-	156,576.76	170.14
ICICI Prudential Money Market Fund - Growth	345,508.27	105.12	345,508.27	101.26
NIPPON India Money Market Fund - Growth plan growth option	42,750.38	141.99	42,750.38	136.63
UTI Money Market Fund - Regular Growth Plan	100,397.33	247.72	59,427.56	141.13
Aditya Birla Sun Life Liquid Fund - Growth - Regular Plan	268,462.97	91.39	306,695.45	101.00
Aditya Birla Sun Life Overnight Fund - Growth - Regular Plan	-	-	99,182.56	110.05
HSBC Overnight Fund - Growth	-	-	70,008.98	75.13
Kotak Money Market Fund - Growth - Regular plan	31,918.21	114.92	31,918.21	110.66
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	69,798.77	71.19	-	-
Total investment in mutual fund units		**1,045.55**		**1,202.08**

(ii) The details of aggregate value of quoted investments are disclosed in note 38.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

15 Trade receivables

(Unsecured)

	31 March 2022	31 March 2021
Trade receivables - billed		
Trade receivables - considered good	3,714.47	3,083.47
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	193.79	302.18
	3,908.26	3,385.65
Less: Allowances for bad and doubtful trade receivables	193.79	302.18
Total trade receivables - billed	**3,714.47**	**3,083.47**
Trade receivables - unbilled	**695.41**	**693.60**
	4,409.88	**3,777.07**

Trade receivables ageing schedule as at 31 March 2022

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
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 (Refer note i below)							695.41
							4,409.88

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

Trade receivables ageing schedule as at 31 March 2021

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	2,306.97	686.71	7.54	70.89	11.35	0.01	3,083.47
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	160.99	29.15	53.50	23.82	34.72	302.18
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	2,306.97	**847.70**	**36.69**	**124.39**	**35.17**	**34.73**	**3,385.65**

Less: Allowances for bad and doubtful trade receivables - billed	302.18
	3,083.47
Trade receivables - unbilled (Refer note i below)	693.60
	3,777.07

Note:

(i) Unbilled revenue is not outstanding for more than 90 days.

(ii) Information about the Group's exposure to credit risk and market risk is disclosed in note 38.

16 Cash and cash equivalents

	31 March 2022	31 March 2021
Cash on hand	0.44	0.20
Balances with banks		
In current accounts	3,094.33	2,543.86
In deposit accounts with original maturity of 3 months or less	325.86	313.64
	3,420.63	**2,857.70**

Note:

(i) Information about the Group’s exposure to credit risk, liquidity risk and market risk is disclosed in note 38.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

17 Other balances with banks

	31 March 2022	31 March 2021
Balances with banks		
In overseas money manager accounts	1,437.80	1,501.79
In unclaimed dividend accounts	1.98	1.07
In deposit accounts with remaining maturity of less than 12 months (Refer note i below)	4,067.56	2,647.41
	5,507.34	**4,150.27**

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 38.

18 Loans

(Unsecured, considered good with no significant increase in credit risk or credit impaired, unless otherwise stated)

	31 March 2022	31 March 2021
Loan to employees	-	4.34
	-	**4.34**

Note:

(i) Information about the Group's exposure to credit risk and market risk is disclosed in note 38.

19 Other current financial assets

(Unsecured, considered good unless otherwise stated)

	31 March 2022	31 March 2021
Interest accrued on fixed deposits	87.47	43.68
Security deposits	7.27	118.46
Forward contracts designated as cash flow hedges (Refer Note 38.3)	88.85	68.67
Other receivables	96.14	306.18
	279.73	**536.99**

Note:

(i) Information about the Group's exposure to credit risk and market risk is disclosed in note 38.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

20 Other current assets

(Unsecured, considered good unless otherwise stated)

	31 March 2022	31 March 2021
Advance to suppliers	37.93	77.33
Employee advances		
Considered good	69.09	53.28
Considered doubtful	6.75	8.63
	75.84	61.91
Less: Provision for doubtful advances	6.75	8.63
	69.09	53.28
Balances with statutory authorities	68.17	69.43
Contract assets (Refer note 41)	119.86	40.01
Prepaid expenses	153.29	120.92
Others	-	8.08
	448.34	**369.05**

21 Equity share capital

	31 March 2022	31 March 2021
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:		
270,016,575 (Previous year 269,043,560) equity shares of ₹ 10 each fully paid up	2,700.17	2,690.44
	2,700.17	**2,690.44**

21.1 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.

21.2 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

21.3 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares outstanding at the beginning of the year	269,043,560	2,690.44	268,879,735	2,688.80
Add : Shares issued on exercise of employee stock options	9,73,015	9.73	163,825	1.64
Equity shares outstanding at the end of the year	**270,016,575**	**2,700.17**	**269,043,560**	**2,690.44**

21.4 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 2022	% of shares held	Number of shares as at 31 March 2021	% of shares held
Proficient Finstock LLP	88,861,500	32.41%	88,861,500	32.41%

21.5 Shareholding of promoters:

Name of the promoter	Number of shares as at 31 March 2022	% of shares held	Percentage change during the year ended on 31 March 2022
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	1,616,330	0.59%	0.00%
Mr. Shrikrishna Patwardhan	1,100,000	0.40%	0.00%
Mr. Ajay Shridhar Bhagwat	2,636,800	0.96%	0.00%
Ms. Ashwini Ajay Bhagwat jointly held with Mr. Ajay Bhagwat	43,300	0.02%	0.00%
Mr. Sachin Dattatraya Tikekar	740,800	0.27%	-0.04%
Ms. Hemalata A Shende	40,000	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%

21.6 Aggregate number of shares issued for consideration other than cash during the period of three years immediately preceding the reporting date-Nil (Previous year Nil).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

21.7 Dividend

The Company declares and pays dividends in Indian rupees.

Cash dividends on equity shares declared and paid:

Particulars	31 March 2022	31 March 2021
Final dividend for the year ended on 31 March 2021: ₹ 1.50 per share (Previous year ₹ Nil per share)	403.91	-
Interim dividend for the year ended on 31 March 2022: ₹ 1.25 per share (Previous year ₹ Nil per share)	337.39	-
Total dividend paid	**741.30**	**-**

Proposed dividend:

The Board of Directors at its meeting held on 27 April 2022, has recommended a final dividend of ₹ 1.85 per equity share for the year ended 31 March 2022, which is subject to the approval of shareholders at the Annual General Meeting.

21.8 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.

22 Non-current borrowings

	31 March 2022	31 March 2021
Term loans		
From banks (secured) (Refer note i and ii below)	5.52	9.04
From institution other than banks (unsecured) (Refer note iii below)	13.13	15.00
	18.65	**24.04**

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 will be repaid upto October 2029.

(iv) Information about the Group's exposure to market risk and liquidity risk is disclosed in note 38.

23 Other non-current financial liabilities

	31 March 2022	31 March 2021
Accrued employee costs	443.81	280.49
Contractual obligation - acquisition (Refer note 51.1)	482.96	-
	926.77	**280.49**

Note:

(i) Information about the Group's exposure to liquidity risk is disclosed in note 38.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

24 Non-current provisions

	31 March 2022	31 March 2021
Provision for employee benefits		
Compensated absences	74.33	40.32
Gratuity (Refer note 42)	179.96	56.08
	254.29	**96.40**

25 Deferred tax liabilities (net)

	31 March 2022	31 March 2021
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	0.07	0.07
Deferred tax liabilities	**0.07**	**0.07**

26 Current borrowings

	31 March 2022	31 March 2021
Current maturities of long term borrowings (Refer note i below)		
From banks (secured)	4.37	3.81
From institution other than banks (unsecured)	2.78	3.48
	7.15	**7.29**

Note:

(i) Refer note 22 for the details of security and repayment terms.

(ii) Information about the Group's exposure to market risk and liquidity risk is disclosed in note 38.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

27 Trade payables

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 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	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	1,135.79	**226.49**	**1.87**	**1.00**	**7.15**	**1,372.30**
As at 31 March 2021						
MSME	-	2.47	-	-	-	2.47
Others	1,079.80	230.75	32.06	7.34	-	1,349.95
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	1,079.80	**233.22**	**32.06**	**7.34**	**-**	**1,352.42**

Note:

(i) Information on MSME is disclosed in note 49.

(ii) Information about the Group's exposure to liquidity risk is disclosed in note 38.

28 Other current financial liabilities

	31 March 2022	31 March 2021
Purchase consideration payable		
MicroFuzzy Industrie-Elektronic GmbH	8.47	-
PathPartner Technology Private Limited towards acquisition of controlling stake (Refer note 51.1)	263.96	-
Contractual obligation - acquisition (Refer note 51.1)	418.49	-
Accrued employee costs	1,131.12	541.06
Unclaimed dividends	1.98	1.07
Capital creditors	41.31	23.31
Others	33.95	295.97
	1,899.28	**861.41**

Note:

(i) Information about the Group's exposure to market risk and liquidity risk is disclosed in note 38.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

29 Other current liabilities

	31 March 2022	31 March 2021
Unearned revenue (Refer note 41)	1,715.33	1,379.97
Statutory liabilities	662.34	569.43
Advance from related parties (Refer note 50)	43.37	154.96
Others	-	0.06
	2,421.04	**2,104.42**

30 Current provisions

	31 March 2022	31 March 2021
Provision for employee benefits		
Compensated absences	187.25	183.73
Gratuity (Refer note 42)	88.27	100.00
Other provisions		
Provision for onerous contracts	0.25	0.75
Provision for warranty (Refer note 48.1)	123.10	51.69
Provision for claims (Refer note 48.2)	259.58	-
	658.45	**336.17**

31 Revenue from operations (Refer note 41)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Software services	24,314.37	20,351.03
Sale of products		
Finished goods	9.49	6.38
	24,323.86	**20,357.41**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

32 Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income	194.33	104.19
Dividend income (Refer note i below)	3.60	2.23
Net foreign exchange gain	129.78	-
Net unrealised gain on investments carried at fair value through profit or loss (Refer note ii below)	50.67	18.33
Other non operating income (net of expenses directly attributable to such income) (including miscellaneous income)	69.71	32.87
	448.09	**157.62**

Note:

(i) This represents the dividend income of:

a. ₹ 0.93 million (Previous year ₹ 0.00* million) from investment in mutual fund units;

b. ₹ 2.67 million (Previous year ₹ 2.23 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.

* Since denominated in ₹ millions

33 Cost of materials consumed

	For the year ended 31 March 2022	For the year ended 31 March 2021
Cost of materials consumed	-	0.52

34 Changes in inventories of finished goods and work-in-progress

	For the year ended 31 March 2022	For the year ended 31 March 2021
Finished goods		
Inventories at the beginning of the year	-	2.48
Inventory written-off during the year	-	2.48
Inventories at the end of the year	-	-
	-	-
Work-in-progress		
Inventories at the beginning of the year	-	2.34
Inventory written-off during the year	-	2.34
Inventories at the end of the year	-	-
	-	-
	-	**-**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

35 Employee benefits expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and incentives	15,748.21	13,106.40
Contributions to provident fund	231.39	160.79
Share based compensation to employees (Refer note 43)	87.97	103.60
Staff welfare expenses	38.42	43.87
	16,105.99	**13,414.66**

36 Finance costs

	For the year ended 31 March 2022	For the year ended 31 March 2021
Finance cost on lease liabilities (Refer note 47)	113.30	126.98
Other interest expense	80.65	45.55
	193.95	**172.53**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

37 Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Travel expenses (net)	276.06	190.74
Cost of service delivery (net)	252.76	275.88
Cost of professional sub-contracting (net)	966.62	1,480.68
Recruitment and training expenses	178.12	57.94
Power and fuel	78.17	71.54
Rent (short-term and low values leases) (Refer note 47)	45.91	49.75
Repairs and maintenance	313.72	328.61
Insurance	104.59	92.74
Rates & taxes	195.48	92.69
Communication expenses (net)	85.81	112.89
Legal and professional fees	519.55	274.44
Marketing expenses	45.15	21.81
Property, plant and equipments and other intangible assets written off	126.19	-
Net foreign exchange loss	-	29.35
Auditor's remuneration (net of taxes)		
Audit fees	5.40	4.50
Limited review of quarterly results	2.10	1.80
Fees for other services	0.56	1.55
Bad debts written off	68.57	49.83
Allowances for doubtful trade receivables and advances (net)	(112.92)	192.22
Provision for warranty (Refer note 48.1)	79.88	99.65
Contributions towards corporate social responsibility (Refer note 53)	38.22	18.63
Miscellaneous expenses (net)	562.47	423.60
	3,832.41	**3,870.84**

Note

(i) Certain expenses are net of recoveries/reimbursements from customers.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

38 Financial Instruments

38.1 Financial Instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2022 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	-	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**

The carrying value and fair value of financial instruments by categories as at 31 March 2021 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	-	1,272.02	-	1,272.02	1,272.02
Trade receivables - billed	3,083.47	-	-	3,083.47	3,083.47
Trade receivables - unbilled	693.60	-	-	693.60	693.60
Cash and cash equivalents	2,857.70	-	-	2,857.70	2,857.70
Other balances with banks	4,150.27	-	-	4,150.27	4,150.27
Loans	4.34	-	-	4.34	4.34
Other financial assets	549.89	-	68.67	618.56	618.56
Total financial assets	**11,339.27**	**1,272.02**	**68.67**	**12,679.96**	**12,679.96**
Financial liabilities					
Borrowings	31.33	-	-	31.33	31.33
Trade payables	1,352.42	-	-	1,352.42	1,352.42
Lease liabilities	2,268.42	-	-	2,268.42	2,268.42
Other financial liabilities	1,141.90	-	-	1,141.90	1,141.90
Total financial liabilities	**4,794.07**	**-**	**-**	**4,794.07**	**4,794.07**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

38.2 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 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	-

The following table presents fair value hierarchy of assets and liabilities as at 31 March 2021:

Particulars	As at 31 March 2021	Fair value measurement		
		Level 1	Level 2	Level 3
Financial assets				
Investment in Lithium Urban Technologies Private Limited	10.00	-	-	10.00
Investment in equity instruments of other entities	0.43	-	-	0.43
Investment in Birlasoft Limited	59.51	59.51	-	-
Investment in mutual fund units	1,202.08	1,202.08	-	-
Forward contracts designated as cash flow hedge	68.67	-	68.67	-

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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

Reconciliation of fair value measurement for Level 3:

Particulars	31 March 2022	31 March 2021
i) Unquoted investment in equity instruments classified as FVTPL		
Balance at the beginning of the year	10.43	10.42
Sale during the year	10.00	-
Exchange gain/(loss)	(0.01)	0.01
Balance at the end of the year	**0.42**	**10.43**
ii) Deferred consideration payable classified as FVTPL		
Balance at the beginning of the year	-	41.21
Additions	-	-
Finance costs recognised in the Statement of Profit and Loss	-	0.32
Paid during the year	-	43.05
Exchange gain/(loss)	-	1.52
Balance at the end of the year	-	-

38.3 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 ₹ 3,714.47 million and ₹ 3,083.47 million, unbilled trade receivables amounting to ₹ 695.41 million and ₹ 693.60 million and other receivables amounting to ₹ 96.14 million and ₹ 306.18 million as on 31 March 2022 and 31 March 2021 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.

ii. Impairment

Movement in the allowance for impairment in respect of trade and other receivables

Particulars	31 March 2022	31 March 2021
Balance at the beginning of the year	302.18	123.89
Impairment during the year	407.41	517.23
Reversal of impairment on account of collection	(458.05)	(293.34)
Utilisation of allowance	(62.28)	(45.67)
Exchange difference on translation	4.53	0.07
Balance at the end of the year	**193.79**	**302.18**

Refer note 15 for ageing of trade receivables.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

iii. Cash and bank balances

The Group held cash and bank balances of ₹ 8,927.97 million and ₹ 7,007.97 million as at 31 March 2022 and 31 March 2021 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:

	31 March 2022	31 March 2021
Cash and cash equivalents	3,420.63	2,857.70
Other balances with banks	5,507.34	4,150.27
Fixed deposits with banks (non-current portion) including interest accrued	369.45	60.93
Investment in mutual fund units	1,045.55	1,202.08
Total	**10,342.97**	**8,270.98**

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	2,920.20	1,899.28	1,020.92	-	-

The following are the remaining contractual maturities of financial liabilities as at 31 March 2021:

Particulars	Carrying value	Gross cash outflow	Upto 1 year	2-3 years	4-5 years	> 5 years
Borrowings	31.33	37.62	9.45	13.34	6.77	8.06
Trade payables	1,352.42	1,352.42	1,352.42	-	-	-
Other financial liabilities	1,141.90	1,169.46	861.41	308.05	-	-

Refer note 47 for the contractual maturities of lease liabilities.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

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 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 following is the Group's exposure to currency risk from financial instruments as at 31 March 2021:

Particulars	US Dollars	Euros	Pound Sterling	Other currencies	Total
Trade receivables (including unbilled)	163.09	34.64	1.92	24.77	224.42
Other financial assets	-	44.65	-	-	44.65
Trade payables	(5.20)	(3.84)	(1.25)	(0.86)	(11.15)
Other financial liabilities	(7.60)	(2.23)	-	(47.70)	(57.53)
Net assets/(liabilities)	**150.29**	**73.22**	**0.67**	**(23.79)**	**200.39**

The above figures exclude amounts in local currency of foreign subsidiaries.

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)%.

For the period ended 31 March 2021, every 1% appreciation/depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately 0.06%/(0.06)%.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(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	31 March 2022		31 March 2021	
	Foreign Currency (million)	₹ (million)	Foreign Currency (million)	₹ (million)
EUR	11.82	1,000.68	11.15	960.00
USD	38.54	2,921.61	23.05	1,694.28
GBP	4.57	454.95	6.10	615.80

The movement in the hedging reserve for derivatives, which have been designated as Cash Flow Hedges, is as follows:

	31 March 2022	31 March 2021
Balance at the beginning of the year	44.67	(56.46)
Gain on changes in fair value of foreign exchange contracts recognised in other comprehensive income	88.84	68.67
Deferred tax on fair value of effective portion of cash flow hedges	(6.94)	(54.33)
Amounts reclassified to the Statement of Profit and Loss	(68.67)	86.79
Balance at the end of the year	57.90	44.67

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 and borrowings are fixed interest rate bearing instruments. Therefore, the Group is not exposed to interest rate risk.

39 Segment Information

KPIT Technologies Limited provides embedded software for the Automobile and Mobility Industry. The customers in these verticals are located at US/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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

39.1 Geographical 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 2022				31 March 2021			
	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	9,513.63	10,226.38	13,121.21	32,861.22	8,514.31	8,758.86	8,567.08	25,840.25
Less: inter segment revenue	44.67	459.00	8,033.69	8,537.36	11.94	419.39	5,051.51	5,482.84
Total segment revenue	9,468.96	9,767.38	5,087.52	24,323.86	8,502.37	8,339.47	3,515.57	20,357.41
b) Segment results	2,514.27	1,634.75	2,004.90	6,153.92	2,724.88	772.43	1,078.89	4,576.20
Finance cost				(193.95)				(172.53)
Unallocated corporate expenses (net of unallocable income)				(2,516.51)				(2,678.93)
Share of profit of equity accounted investees (net of tax)				1.98				-
Exceptional items				-				51.49
Profit before tax				3,445.44				1,776.23
Tax expense				(683.01)				(305.20)
Profit after tax				2,762.43				1,471.03
c) Allocated segment assets	1,264.74	1,774.06	1,490.94	4,529.74	1,136.65	1,672.44	1,007.99	3,817.08
Unallocated segment assets *				2,230.58				2,371.00
Unallocated corporate assets				16,601.15				13,487.31
Total assets				23,361.47				19,675.39
d) Allocated segment liabilities	304.85	1,071.15	339.33	1,715.33	340.60	466.77	572.60	1,379.97
Unallocated segment liabilities *				8,369.20				6,166.94
Unallocated corporate liabilities				25.80				31.33
Total liabilities				10,110.33				7,578.24

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

	31 March 2022				31 March 2021			
	Americas	UK & Europe	Rest of World	Total	Americas	UK & Europe	Rest of World	Total
	₹ million	₹ million	₹ million	₹ million	₹ million	₹ million	₹ million	₹ million
e) Cost incurred during the period to acquire segment non-current assets#	-	-	-	-	-	-	-	-
f) Depreciation/ Amortisation#				1,196.14				1,331.74
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.

39.2 Major customer

Revenue from one customer, ₹ 3,457.11 million (Previous year ₹ 3,214.04 million), individually accounts for more than 10% of the Group's revenue.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

40 Disclosure relating to entities considered in the consolidated financial statements for the year ended on 31 March 2022:

(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	91.98%	12,188.43	86.20%	2,381.20	171.62%	(38.94)	85.49%	2,342.26
	(A)		**12,188.43**		**2,381.20**		**(38.94)**		**2,342.26**
B	**Subsidiaries:**								
I	**Indian:**								
	PathPartner Technology Private Limited	2.57%	340.78	1.48%	40.93	-12.08%	2.74	1.59%	43.67
II	**Foreign:**								
1	KPIT Technologies (UK) Limited	16.60%	2,200.08	0.66%	18.30	1.81%	(0.41)	0.65%	17.89
2	KPIT Technologies Inc.	10.31%	1,365.59	2.08%	57.33	-14.68%	3.33	2.21%	60.66
3	KPIT Technologies Holding Inc.	9.71%	1,286.92	5.37%	148.30	-12.08%	2.74	5.51%	151.04
4	KPIT (Shanghai) Software Technology Co. Limited	1.25%	164.99	-0.33%	(9.00)	4.01%	(0.91)	-0.36%	(9.91)
5	KPIT Technologies Netherlands B.V	2.02%	267.69	2.05%	56.56	3.22%	(0.73)	2.04%	55.83
6	KPIT Technologies GK	2.81%	372.64	7.76%	214.38	38.17%	(8.66)	7.51%	205.72
7	KPIT Technologies GmbH	9.23%	1,223.12	5.31%	146.64	16.53%	(3.75)	5.22%	142.89
8	KPIT Technologies Pte Ltd.	0.00%	-	-0.02%	(0.58)	0.18%	(0.04)	-0.02%	(0.62)
9	KPIT Technologias Ltda.	0.43%	57.42	1.22%	33.71	-20.93%	4.75	1.40%	38.46
10	MicroFuzzy Industrie-Elektronic GmbH	3.70%	490.04	15.12%	417.55	29.84%	(6.77)	14.99%	410.78
11	ThaiGerTec Co. Ltd.	0.58%	76.76	0.63%	17.38	1.10%	(0.25)	0.63%	17.13
12	PathPartner Technology Inc.	0.38%	50.87	0.15%	4.13	-0.35%	0.08	0.15%	4.21
13	PathPartner Technology GmbH	-0.02%	(3.08)	-0.02%	(0.63)	-0.04%	0.01	-0.02%	(0.62)
	(B)		**7,893.82**		**1,145.00**		**(7.87)**		**1,137.13**
C	**Joint venture/Associate:**								
1	Yantra Digital Services Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
2	PathPartner Interior Sensing Private Limited	0.00%	-	-0.08%	(2.26)	0.00%	-	-0.08%	(2.26)
3	FMS Future Mobility Solutions GmbH	0.00%	-	0.15%	4.24	0.00%	-	0.15%	4.24
	(C)		**-**		**1.98**		**-**		**1.98**
D	Non-Controlling Interest	1.17%	155.47	0.73%	20.10	-24.02%	5.45	0.93%	25.55
E	Consolidation adjustments including intercompany eliminations	-52.72%	(6,986.58)	-28.45%	(785.85)	-82.28%	18.67	-28.00%	(767.18)
F	**Total (A+B+C+D+E)**		**13,251.14**		**2,762.43**		**(22.69)**		**2,739.74**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

41 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 39).

B Revenue disaggregation by contract type is as follows:

Contract Type	31 March 2022	31 March 2021
Time & Material (T&M) and Cap T&M projects	10,932.13	9,728.83
Fixed price projects	12,756.91	10,348.97
License projects	619.72	273.23
Sale from manufacturing unit/ product sale	15.10	6.38
Total	**24,323.86**	**20,357.41**

Movement in contract assets (unbilled revenue)

Particulars	31 March 2022	31 March 2021
Balance at the beginning of the year	40.01	78.54
Revenue recognised during the year	119.86	39.86
Invoicing during the year	(33.05)	(57.68)
Reversals during the year	(6.96)	(20.71)
Balance at the end of the year	**119.86**	**40.01**

Movement in contract liabilities (unearned revenue)

Particulars	31 March 2022	31 March 2021
Balance at the beginning of the year	1,379.97	919.32
Addition on account of acquisition of subsidiary	9.49	-
Invoiced during the period but not recognised as revenue	1,684.47	1,333.32
Revenue recognised during the year	(1,358.60)	(872.67)
Balance at the end of the year	**1,715.33**	**1,379.97**

Reconciliation of revenue recognised with the contracted price

Particulars	31 March 2022	31 March 2021
Contracted price	24,407.96	20,450.02
Reductions towards variable consideration components	(84.10)	(92.61)
Revenue recognised	**24,323.86**	**20,357.41**

The reduction towards variable consideration comprises of volume discounts, service level credits, etc.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

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 2022, other than those meeting the exclusion criteria mentioned above, is ₹ 5,341.18 million. Out of this, the Group expects to recognize revenue of around 95% 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.

42 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 2022	For the year ended 31 March 2021
Present value of defined benefit obligation at the beginning of the year	322.28	298.92
Addition on account of acquisition of a subsidiary (Refer note 51.1)	43.94	-
Current service cost	51.10	49.30
Interest cost	21.63	19.22
Actuarial loss/(Gain) recognised in other comprehensive income		
a) changes in demographic assumptions	(0.04)	-
b) changes in financial assumptions	(9.85)	2.55
c) experience adjustments	81.17	(21.53)
Benefits paid	(54.25)	(26.18)
Present value of defined benefit obligation at the end of the year	455.98	322.28

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 2022	For the year ended 31 March 2021
Fair value of plan assets at the beginning of the year	166.20	59.79
Addition on account of acquisition of a subsidiary (Refer note 51.1)	1.91	-
Interest Income	10.53	3.84
Employer contribution	50.86	100.00
Benefits paid	(38.03)	-
Return on plan assets, excluding interest income	(3.72)	2.57
Fair value of plan assets at the end of the year	187.75	166.20

Amount recognised in the Balance Sheet	For the year ended 31 March 2022	For the year ended 31 March 2021
Present value of obligation as at the end of the year	455.98	322.28
Fair value of plan assets at the end of the year	187.75	166.20
Funded status ((surplus)/deficit)	268.23	156.08
Net (asset)/liability recognized in the Balance Sheet	268.23	156.08

Expenses recognised in the Statement of Profit and Loss	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	51.10	49.30
Interest cost net of interest income on plan assets	11.10	15.38
Expenses recognised in the Statement of Profit and Loss	62.20	64.68

Expenses recognised in the Other Comprehensive Income (OCI)	For the year ended 31 March 2022	For the year ended 31 March 2021
Actuarial loss/(gain)	71.28	(18.98)
Return on plan assets, excluding interest income	(3.72)	2.57
Net (income)/expense recognised in the OCI	75.00	(21.55)

Category of Assets	For the year ended 31 March 2022	For the year ended 31 March 2021
Insurance fund	187.75	166.20

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

Actuarial assumptions	For the year ended 31 March 2022	For the year ended 31 March 2021
For PathPartner Technology Private Limited		
Expected return on plan assets	7.06%	NA
Discount rate	7.57%	NA
Salary escalation	12.00%	NA
Attrition rate	15.00%	NA
For KPIT Technologies Limited		
Expected return on plan assets	6.70%	6.26%
Discount rate	6.70%	6.26%
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	31 March 2022		31 March 2021	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (1 % movement)	(21.96)	24.64	(14.43)	16.03
Future salary growth (1 % movement)	21.65	(20.18)	16.07	(14.72)
Attrition rate (1 % movement)	(0.48)	0.38	(0.66)	0.57

Maturity profile of defined benefit plan

Projected benefits payable in future years from the date of reporting	31 March 2022	31 March 2021
Within 1 year	78.46	60.09
1-2 year	53.84	36.61
2-3 year	53.60	36.96
3-4 year	49.43	36.46
4-5 year	46.10	34.76
5-10 years	171.03	126.95
Thereafter	188.15	130.20

Weighted average assumptions used to determine net periodic benefit cost

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

Particulars	31 March 2022	31 March 2021
For PathPartner Technology Private Limited		
Number of active members	493	NA
Per month salary cost for all active members (₹ million)	17.64	NA
Weighted average duration of the projected benefit obligation (years)	15.41	NA
Average expected future service (years)	28.49	NA
Projected benefit obligation (₹ million)	45.34	NA
Prescribed contribution for next year (12 months) (₹ million)	8.27	NA
For KPIT Technologies Limited		
Number of active members	6,840	5,396
Per month salary cost for all active members (₹ million)	185.83	124.37
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)	411.61	322.28
Prescribed contribution for next year (12 months) (₹ million)	80.00	100.00

43 Share based payments

43.1 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 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 2022 are 193,950 and 257,350 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 2022 are 158,050. The Group recorded an employee compensation cost of ₹ Nil (Previous year ₹ 0.02 million) 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:

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year:

Particulars	FY 2021-22		FY 2020-21	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	486,205	45.19	598,205	44.28
Forfeited/surrendered during the year	4,300	44.96	13,250	44.96
Exercised during the year	269,505	44.76	96,550	39.57
Lapsed during the year	2,100	44.96	2,200	44.96
Options outstanding at the end of the year	210,300	45.75	486,205	45.19
Options exercisable at the end of the year	210,300	45.75	486,205	45.19

The weighted average share price of the options exercised under Employees Stock Option Scheme -2019 on the date of exercise during the year was ₹ 86.52.

The weighted average remaining contractual life are as follows:

Range of Exercise Price	FY 2021-22		FY 2020-21	
	Weighted average contractual life (years)	No. of options outstanding	Weighted average contractual life (years)	No. of options outstanding
₹ 0 to ₹ 50	0.89	190,300	1.51	466,205
₹ 50 to ₹ 100	3.07	20,000	4.07	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 ₹ 0.03 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.

43.2 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	FY 2021-22		FY 2020-21	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	3,707,000	10.00	3,255,000	85.05
Options granted during the year	250,500	10.00	3,757,500	10.00
Forfeited/surrendered during the year	363,050	10.00	3,305,500	83.90
Exercised during the year	464,010	10.00	-	-
Lapsed during the year	-	-	-	-
Options outstanding at the end of the year	3,130,440	10.00	3,707,000	10.00
Options exercisable at the end of the year	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 ₹ 231.71.

The weighted average remaining contractual life are as follows:

Range of Exercise Price	FY 2021-22		FY 2020-21	
	Weighted average contractual life (years)	No. of options outstanding	Weighted average contractual life (years)	No. of options outstanding
₹ 0 to ₹ 50	5.66	3,130,440	6.44	3,707,000

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 2021-22	FY 2020-21
1. Exercise price (₹)	10.00	10.00
2. Price of the underlying share in market at the time of the option grant (₹)	488.68	65.40
3. Weighted average fair value of options granted (₹)	474.99	57.18
4. Expected life of the option (years)	3.76	3.76
5. Risk free interest rate (%)	5.00	5.00
6. Expected volatility (%)	50.13	49.79
7. Dividend yield (%)	0.36	0.00

The Group recorded an employee compensation cost of ₹ 77.38 million (Previous year ₹ 103.25 million) in the Statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

43.3 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 2021-22		FY 2020-21	
	No. of shares	Weighted average offer price	No. of shares	Weighted average offer price
Shares outstanding at the beginning of the year	19,955	10.00	24,050	10.00
Shares granted during the year	-	10.00	3,505	10.00
Exercised during the year	2,935	10.00	5,125	10.00
Cancelled during the year	16,995	10.00	2,475	10.00
Shares outstanding at the end of the year	25	10.00	19,955	10.00

The Group recorded an employee compensation cost of ₹ Nil (Previous year ₹ 0.30 million) in the Statement of Profit and Loss.

44 Details of exceptional items

44.1 In line with the Company's operational efficiency measures, it has consolidated its presence during the previous year, resulting into early termination of some of its leased office premises, predominantly in India. Accordingly, as per Ind-AS 116 "Leases", remeasured the lease liability and on prudent assessment, also written-off its property, plant and equipment at the said location. The net impact of ₹ 32.04 million was recognised in the Statement of Profit and Loss.

44.2 In the financial year 2016-17, KPIT Technologies GmbH, Germany, had sold its 100% stake in subsidiary KPIT medini Technologies AG. During the previous year, a net amount of EUR 0.23 million (₹ 19.45 million) had been received as a scheduled final tranche payment of the agreed consideration towards sale of shares of this subsidiary.

45 Income taxes

The income tax expense consists of following:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Tax expense		
Current tax	836.11	496.11
Deferred tax (benefit)/charge	(153.10)	(190.91)
Total tax expense	**683.01**	**305.20**

The net charge relating to temporary differences during the year ended 31 March 2022 is primarily on account of property, plant & equipment, leases, gratuity and leave encashment.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit before tax	3,445.44	1,776.23
Indian statutory income tax rate	34.94%	34.94%
Expected income tax expense	1,203.97	620.69
Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Effect of income tax exemption/tax holiday	(584.31)	(261.93)
Effect of permanent adjustments	106.05	(63.13)
Effect of differential overseas tax rates	(50.18)	(58.13)
Effect of unrecognised deferred tax assets	(103.07)	(49.55)
Others (net)	110.55	117.25
Total income tax expense	**683.01**	**305.20**

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 ₹ 103.07 million (Previous year ₹ 49.55 million).

Deferred tax

The gross movement in the deferred tax account:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net deferred tax asset at the beginning of the year	553.60	425.81
Net deferred tax asset transferred on account of acquisition (Refer note 51.1)	38.21	-
Credits/(charge) relating to temporary differences (net)	20.97	204.91
Temporary differences on other comprehensive income	18.63	(60.73)
MAT credit entitlement/(utilisation) during the year	132.12	(14.00)
Exchange difference on translation	0.23	(2.39)
Net deferred tax asset at the end of the year	**763.76**	**553.60**

The net charge relating to temporary differences during the year ended 31 March 2022 and 31 March 2021 are primarily on account of provision for bad and doubtful debts, provision for gratuity, leave encashment, leases and property, plant & equipment.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

46 Basic and diluted earnings per share

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Face value per equity share (₹)	10.00	10.00
Profit for the year attributable to owners of the Company (₹ million)	2,742.33	1,461.37
Weighted average number of equity shares	26,95,42,125	26,89,54,838
Earnings per share – basic (₹)	**10.17**	**5.43**
Effect of dilutive potential equity shares		
Weighted average number of diluted equity shares	27,28,57,942	27,05,19,277
Earnings per share – diluted (₹)	**10.05**	**5.40**

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 2022	31 March 2021
Non-current lease liabilities	1,833.95	1,900.56
Current lease liabilities	412.51	367.86
Total	**2,246.46**	**2,268.42**

C Movement in lease liabilities

Particulars	31 March 2022	31 March 2021
Balance at the beginning of the year	2,268.42	1,457.46
Additions during the year	457.19	1,551.77
Additions on account of acquisition (Refer note 51.1)	51.09	-
Finance cost accrued on lease liabilities	113.30	126.98
Payment of lease liabilities	515.58	561.14
Termination/modification of leases	110.67	322.36
Translation difference	(17.29)	15.71
Balance at the end of the year	**2,246.46**	**2,268.42**

D Contractual maturities of lease liabilities on an undiscounted cash flows basis

Particulars	31 March 2022	31 March 2021
Not later than one year	519.01	470.45
Later than one year and not later than five years	1,472.06	1,332.60
Later than five years	622.07	885.46
Total undiscounted lease liabilities	**2,613.14**	**2,688.51**

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 ₹ 11.87 million (on an undiscounted cash flows basis) for a lease term upto 5 years.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

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 2022	31 March 2021
Carrying amount as at the beginning of the year	51.69	14.67
Additional provision made during the year	79.88	114.70
Reversals during the year	-	(15.05)
Provision utilised during the year	(8.47)	(63.27)
Exchange difference on translation	-	0.64
Carrying amount at the end of the year	123.10	51.69

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 2022
Carrying amount as at the beginning of the year	-
Additional provision made during the year	259.58
Carrying amount at the end of the year	259.58

48.3 Contingent liabilities

Guarantees

Particulars	31 March 2022	31 March 2021
Outstanding bank guarantees in routine course of business	130.56	160.21

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 - ₹ 21.39 million (Previous Year ₹ 383.05 million)

b. Intangibles - ₹ 12.23 million (Previous Year ₹ 9.85 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 2022 is ₹ 5.70 million (Previous year - ₹ 2.47 million). Estimated interest due thereon is ₹ Nil (Previous year - ₹ 0.24 million).

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 2022 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

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 2022
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.	Singapore	100
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	60
8	KPIT Technologies GK	Japan	100
Indirect subsidiaries			
9	KPIT Technologies GmbH, Germany (Subsidiary of KPIT Technologies (UK) Limited)	Germany	100
10	KPIT Technologies Inc. (Subsidiary of KPIT Technologies Holding Inc.)	United States of America	100
11	MicroFuzzy Industrie-Elektronic GmbH (Subsidiary of KPIT Technologies GmbH, Germany)	Germany	100
12	PathPartner Technology Inc. (Subsidiary of PathPartner Technology Private Limited, India)	United States of America	60
13	PathPartner Technology GmbH (Subsidiary of PathPartner Technology Private Limited, India)	Germany	60
14	ThaiGerTec Co. Ltd. (Subsidiary of KPIT Technologies (UK) Limited)	Thailand	100
Joint venture/Associate			
15	PathPartner Interior Sensing Private Limited (w.e.f. 20 September 2021)	India	10.62
16	FMS Future Mobility Solutions GmbH (w.e.f. 22 September 2021)	Germany	25
17	Yantra Digital Services Private Limited [(i)]	India	45

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. Anant Talaulicar	Independent Director
	Mr. B V R Subbu	Independent Director
	Prof. Alberto Sangiovanni Vincentelli	Independent Director
	Mr. Rafi Maor	Independent Director (upto 9 June 2020)
	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)
	Mr. Vinit Teredesai	Chief Financial Officer (upto 12 June 2020)
	Ms. Priyamvada Hardikar	Chief Financial Officer (w.e.f. 12 June 2020)
	Ms. Nida Deshpande	Company Secretary

C. List of other related parties with whom there are transactions:

Relative of KMP	Mr. Chinmay Pandit
	Ms. Jayada Pandit
	Ms. Anupama Kishor Patil
	Ms. Hemlata Shende
	Ms. Manasi Patil
	Ms. Nirmala Shashishekhar Pandit
Enterprise over which KMP have significant influence	KP Corporate Solutions Limited
	Proficient FinStock LLP
	Sentient Labs Private Limited
	Kirtane & Pandit LLP
	K & P Management Services Private Limited
	KP Capital Advisors Private Limited

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

D. Transactions with related parties

No.	Name of related party	31 March 2022 Amount of transactions during the year	31 March 2022 Balance as on 31 March 2022 Debit/(Credit)	31 March 2021 Amount of transactions during the year	31 March 2021 Balance as on 31 March 2021 Debit/(Credit)
Transactions with Key Management Personnel (iii)					
1	**Mr. S. B. (Ravi) Pandit**				
	Post employment benefits	Nil	Nil	4.01	Nil
	Dividend paid	2.72	Nil	Nil	Nil
	Commission paid	3.80	Nil	Nil	Nil
	Sitting Fees	0.97	Nil	Nil	Nil
	Reimbursement of expenses (net)	0.03	(0.21)	Nil	Nil
2	**Mr. Kishor Patil**				
	Short term employee benefits	44.92	Nil	29.90	Nil
	Post employment benefits	1.51	Nil	1.31	Nil
	Perquisites	Nil	Nil	0.08	Nil
	Repayment of loan granted	Nil	Nil	5.25	Nil
	Interest received	Nil		0.20	
	Dividend paid	36.70	Nil	Nil	Nil
	Reimbursement of expenses (net)	0.63	(0.01)	0.04	Nil
3	**Mr. Sachin Tikekar**				
	Short term employee benefits	42.24	Nil	28.63	Nil
	Post employment benefits	1.09	Nil	0.42	Nil
	Dividend paid	2.19	Nil	Nil	Nil
	Reimbursement of expenses (net)	Nil	(0.01)	0.17	(0.00)*
4	**Mr. Anup Sable**				
	Short term employee benefits	2.55	Nil	NA	NA
	Post employment benefits	0.08	Nil	NA	NA
	Share based compensation	0.30	Nil	NA	NA
	Dividend paid	0.50	Nil	NA	NA
	Reimbursement of expenses (net)	0.82	0.62	NA	NA
5	**Mr. Anant Talaulicar**				
	Commission paid	2.66	Nil	2.95	Nil
	Sitting Fees	0.91	Nil	0.26	Nil
6	**Mr. B V R Subbu**				
	Commission paid	2.34	Nil	2.60	Nil
	Sitting Fees	0.57	Nil	0.23	Nil
7	**Ms. Shubhalakshmi Panse**				
	Commission paid	1.85	Nil	2.05	Nil
	Sitting Fees	0.14	Nil	0.22	Nil

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

No.	Name of related party	31 March 2022		31 March 2021	
		Amount of transactions during the year	Balance as on 31 March 2022 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2021 Debit/(Credit)
8	**Mr. Nickhil Jakatdar**				
	Commission paid	1.38	Nil	1.53	Nil
	Sitting Fees	0.30	Nil	0.06	Nil
9	**Prof. Alberto Sangiovanni Vincentelli**				
	Commission paid	2.13	Nil	2.33	Nil
	Reimbursement of expenses (net)	Nil	Nil	0.91	0.00*
	Sitting Fees	0.32	(0.05)	0.06	Nil
10	**Mr. Rafi Maor**				
	Commission paid	NA	NA	1.59	Nil
	Sitting Fees	NA	NA	0.02	Nil
11	**Ms. Bhavna Doshi**				
	Sitting Fees	0.18	Nil	NA	NA
12	**Prof. Rajiv Lal**				
	Sitting Fees	0.06	Nil	NA	NA
13	**Mr. Vinit Teredesai**				
	Short term employee benefits	NA	NA	1.66	Nil
	Post employment benefits	NA	NA	0.05	Nil
	Reimbursement of expenses (net)	NA	NA	0.10	Nil
14	**Ms. Priyamvada Hardikar**				
	Short term employee benefits	9.15	Nil	5.88	Nil
	Post employment benefits	0.23	Nil	0.16	Nil
	Share based compensation	0.98	Nil	1.14	Nil
	Perquisites	3.87	Nil	Nil	Nil
	Dividend paid	0.16	Nil	Nil	Nil
	Reimbursement of expenses (net)	0.00*	(0.00)*	Nil	Nil
15	**Ms. Nida Deshpande**				
	Short term employee benefits	2.67	Nil	1.95	Nil
	Post employment benefits	0.08	Nil	0.06	Nil
	Perquisites	0.48	Nil	Nil	Nil
	Dividend paid	0.00*	Nil	Nil	Nil
	Share based compensation	0.18	Nil	0.23	Nil

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

No.	Name of related party	31 March 2022 Amount of transactions during the year	31 March 2022 Balance as on 31 March 2022 Debit/(Credit)	31 March 2021 Amount of transactions during the year	31 March 2021 Balance as on 31 March 2021 Debit/(Credit)
Transactions with relative of Key Management Personnel [iii]					
1	**Mr. Chinmay Pandit[iv]**				
	Short term employee benefits	18.26	Nil	5.71	Nil
	Post employment benefits	0.05	Nil	0.16	Nil
	Salary advance	3.79	3.00	Nil	Nil
	Recovery of salary advance	0.79		Nil	
	Dividend paid	0.11	Nil	Nil	Nil
	Reimbursement of expenses (net)	0.51	(0.01)	Nil	Nil
2	**Ms. Jayada Pandit**				
	Short term employee benefits	2.47	Nil	1.73	Nil
	Post employment benefits	0.07	Nil	0.06	Nil
3	**Ms. Anupama Kishor Patil**				
	Dividend paid	4.44	Nil	Nil	Nil
4	**Ms. Hemlata Shende**				
	Dividend paid	0.11	Nil	Nil	Nil
5	**Ms. Manasi Patil**				
	Short term employee benefits	2.56	Nil	1.69	Nil
	Post employment benefits	0.07	Nil	0.06	Nil
	Dividend paid	0.01	Nil	Nil	Nil
6	**Ms. Nirmala Shashishekhar Pandit**				
	Dividend paid	0.66	Nil	Nil	Nil
Transactions with enterprise over which Key Management Personnel have significant influence [ii]					
1	**Kirtane & Pandit LLP**				
	Professional fees	1.51	(0.24)	1.63	Nil
	Reimbursement of expenses (net)	0.01	Nil	Nil	Nil
2	**K & P Management Services Private Limited**				
	Dividend paid	0.83	Nil	Nil	Nil
3	**KP Capital Advisors Private Limited**				
	Professional fees	0.25	(0.05)	0.30	Nil
4	**KP Corporate Solutions Limited**				
	Professional fees	8.68	Nil	4.99	(0.10)
5	**Proficient FinStock LLP**				
	Advance received (net)	Nil	Nil	137.44	(137.44)
	Settlement of advance	137.44	Nil	Nil	Nil
	Dividend paid	244.37	Nil	Nil	Nil
6	**Sentient Labs Private Limited**				
	Advance received (net)	Nil	(43.37)	17.52	(17.52)
	Reimbursement of expenses (net)	189.74		87.30	

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

No.	Name of related party	31 March 2022		31 March 2021	
		Amount of transactions during the year	Balance as on 31 March 2022 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2021 Debit/(Credit)
Transactions with joint ventures/associate (ii)					
1	**PathPartner Interior Sensing Private Limited**				
	Investment in equity	2.52	2.52	NA	NA
2	**FMS Future Mobility Solutions GmbH**				
	Investment in equity	215.95	215.95	NA	NA
3	**Yantra Digital Services Private Limited**				
	Purchase of component	Nil	Nil	Nil	(9.20)
	Proceeds from liquidation process	3.15	Nil	Nil	Nil

* Since denominated in ₹ millions

i. 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.

ii. All transactions with these related parties are priced on an arm's length basis.

iii. Remuneration excludes provision for gratuity and compensated absences as separate actuarial valuation for the directors, key management personnel and their relatives is not available.

iv. Deputed on secondment to KPIT Technologies Inc., USA, a wholly owned subsidiary, with effect from 26 July 2021.

51 Business combinations

51.1 Acquisition of PathPartner Technology Private Limited

Effective 1 October 2021, the Company has 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.

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:**

	Amount (₹ million)
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
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**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

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. Provisional amount of goodwill arising on acquisition

Particulars	Amount
Purchase consideration (as per Tranche 1 of Share Purchase Agreement)	890.00
Add : Non-controlling interest	114.60
Less : Fair value of identifiable net assets acquired	286.51
Provisional goodwill arising on acquisition	**718.09**

As per the provisions of Ind-AS 103 Business Combinations, the purchase consideration has been allocated on a provisional basis, pending the identification and measurement of identifiable intangible assets acquired in a business combination. The resulting difference has been accounted as provisional goodwill.

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**

*The purchase consideration of ₹ 263.96 million is outstanding to be payable to the Tranche 1 shareholders as at 31 March 2022.

f. From the date of acquisition, the acquiree along with its subsidiaries has 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 the beginning of the year, the Group's revenue would have been INR 24,848.27 million and the profit before tax would have been INR 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, the Company has recognised a contractual obligation of ₹ 871.84 million towards the said acquisition.

h. The Company has 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 has become effective.

Accordingly, the Company has 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 are recognized under the revised statement of profit and loss for the financial year ending 31 March 2020 and 31 March 2021 respectively.

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 2022	31 March 2021
MicroFuzzy Industrie-Elektronic GmbH ("MicroFuzzy")	Germany	0.00%	5.00%
PathPartner Technology Private Limited (PathPartner) (Refer note 51.1)	India	40.00%	0.00%

B. Details of non-controlling interest

Particulars	MicroFuzzy		PathPartner
	31 March 2022	31 March 2021	31 March 2022
Accumulated balance of non-controlling interest	-	27.75	155.47

C. Summarised balance sheet (before inter-company eliminations)

Particulars	MicroFuzzy		PathPartner
	31 March 2022	31 March 2021	31 March 2022
Non-current assets	206.34	322.09	148.84
Cash and cash equivalents	821.59	1,081.76	34.20
Current assets (excluding cash and cash equivalents)	1,010.15	563.80	430.29
Total	**2,038.08**	**1,967.65**	**613.33**
Non-current liabilities	130.71	158.40	55.04
Trade payables	499.30	645.70	21.84
Current liabilities (excluding trade payables)	918.03	627.25	195.67
Total	**1,548.04**	**1,431.35**	**272.55**
Total equity	**490.04**	**536.30**	**340.78**
Transfer of profits to parent company	-	18.76	-
Total equity before transfer of profits	**490.04**	**555.06**	**340.78**
Attributable to:			
Owners of the Group	490.04	527.31	204.47
Non-controlling interest	-	27.75	136.31

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

D. Summarised Statement of Profit and Loss (before inter-company eliminations)

Particulars	MicroFuzzy		PathPartner
	For the year ended 31 March 2022	For the year ended 31 March 2021	For the period from 1 October 2021 to 31 March 2022
Revenue	3,897.62	3,532.56	525.80
Other income	3.03	0.51	6.18
Total income	**3,900.65**	**3,533.07**	**531.98**
Employee benefits expense	1,640.81	1,542.31	336.03
Finance costs	8.15	15.75	1.56
Depreciation and amortization	101.96	100.23	21.39
Other expenses	1,732.18	1,657.84	117.03
Total expenses	**3,483.10**	**3,316.13**	**476.01**
Profit before tax	**417.55**	**216.94**	**55.97**
Current tax	-	17.20	20.02
Deferred tax	-	-	(4.98)
Total tax expense	**-**	**17.20**	**15.04**
Profit for the year	**417.55**	**199.74**	**40.93**

E. Summarised cash flow information (before inter-company eliminations)

Particulars	MicroFuzzy		PathPartner
	For the year ended 31 March 2022	For the year ended 31 March 2021	For the period from 1 October 2021 to 31 March 2022
Cash flow from:			
Operating activities	422.75	938.58	98.15
Investing activities	(13.40)	(28.09)	(94.63)
Financing activities	(669.52)	(306.47)	(16.37)
Net increase in cash and cash equivalents	**(260.17)**	**604.02**	**(12.85)**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹ million)

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.

Particulars	31 March 2022	31 March 2021
a. Amount required to be spent by the company during the year	27.60	18.63
b. Amount of expenditure incurred for purposes other than construction/ acquisition of any asset	38.22	15.32
c. Shortfall at the end of the year	-	3.31
d. Total of previous years shortfall	-	-
e. Reason for shortfall	NA	Due to ongoing projects
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	-	-

During the previous year, the Company had also provided for an amount of ₹ 3.31 million, towards unspent CSR amount. The movement in the said provision is as under:

Particulars	31 March 2022	31 March 2021
Carrying amount as at the beginning of the year	3.31	-
Additional provision made during the year	-	3.31
Spend during the year	(3.31)	-
Carrying amount at the end of the year	-	3.31

Also, refer Annexure 5 of the Director’s Report.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

54 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 2021-2022.

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

UDIN: 22113896AHWJXZ1311

Place: Pune
Date: 27 April 2022

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: 27 April 2022

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,
Pune - 411057, Maharashtra, India.
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,
Bengaluru - 560103, Karnataka, India.
Phone: +91-80-6606 6262

Other Premises

Plot No. 2, Survey. No. 288,
Hissa No. 1 to 4, Village Maan,
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Chittethukara, Kakkanad,
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Research and Development Unit

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Representative office in Vietnam

4th floor, Spaces Belvedere Building,
Phan Chu Trinh Ward,
Hoàn Kiếm District,
Hanoi City

NOTICE

NOTICE is hereby given that the 5th Annual General Meeting of KPIT Technologies Limited will be held on Wednesday, August 24, 2022, at 10.30 a.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, 2022, 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, 2022, together with the report of the Auditors thereon.

3. To declare final dividend for the financial year ended March 31, 2022.

   [The Board has recommended final dividend at ₹ 1.85 per equity share of ₹ 10/- each (at 18.50%) in addition to Interim Dividend paid at ₹ 1.25/- per equity share of ₹ 10/- each (at 12.50%)].

4. To appoint a Director in place of Mr. S. B. (Ravi) Pandit (DIN: 00075861), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

5. **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 Section 152, 161 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act"), and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Article 93 of the Articles of Association of the Company, and on recommendation of Nomination and Remuneration (HR) Committee, the Board of Directors appointed Mr. Anup Sable (DIN: 00940115) as an Additional Director and who holds office until the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company with effect from December 22, 2021, 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."

6. **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, consent be and is hereby accorded for the appointment of Mr. Anup Sable (DIN: 00940115) as Executive Director (Whole-time) of the Company for a period of five years with effect from December 22, 2021, on the terms and conditions specified in the Agreement to be entered into between the Company and Mr. Anup Sable.

   RESOLVED FURTHER THAT approval be and is hereby accorded to the payment of remuneration to Mr. Anup Sable 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 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   RESOLVED FURTHER THAT pursuant to Section 62(1)(b) and other applicable provisions, if any, of the Act and the Rules made thereunder and in accordance with the Articles of Association of the Company, provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations") and the present or future Employee Stock Option Schemes of the Company, the Nomination and Remuneration (HR) Committee ("Committee") of the Board of Directors be and is hereby authorized to grant an appropriate number of stock options, as the case may be, to Mr. Anup Sable which may be based on his continued employment in the Company and/or performance of the Company as may be determined from time to time by the Committee.

RESOLVED FURTHER THAT Mr. Anup Sable 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."

7. **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 Section 152, 161 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act"), and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Article 93 of the Articles of Association of the Company, and on recommendation of Nomination and Remuneration (HR) Committee, the Board of Directors appointed Mr. Chinmay Pandit (DIN: 07109290) as an Additional Director and who holds office until the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company with effect from July 26, 2022, 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."

8. **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, approval be and is hereby accorded for the appointment of Mr. Chinmay Pandit (DIN: 07109290) as Executive Director (Whole-time) of the Company for a period of five years with effect from July 26, 2022 on the terms and conditions specified in the Agreement to be entered into between the Company and Mr. Chinmay Pandit.

RESOLVED FURTHER THAT approval be and is hereby accorded to the payment of remuneration to Mr. Chinmay Pandit 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, Schedule V of the Act and Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

RESOLVED FURTHER THAT Mr. Chinmay Pandit 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."

9. **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 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, Ms. Bhavna Doshi (DIN: 00400508), 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 September 15, 2021, 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 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, Prof. Rajiv Lal (DIN: 09360601), 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 November 1, 2021, 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."

11. To consider and if thought fit, to pass with or without modification(s), the following as an 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. Manasi Patil, a relative of Mr. Kishor Patil, CEO & Managing Director of the Company, to hold an office or place of profit in the Company as Senior Manager (HR), or such other post as she may be promoted hereafter, in the Company, at a remuneration up to ₹ 45 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 24, 2022 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. Manasi Patil.

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."

12. To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

Approval of the 'KPIT Technologies Limited-Restricted Stock Unit Plan 2022'

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder, relevant provisions of the Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 and any circulars/notifications/ guidance/ frequently asked questions issued thereunder, as amended from time to time (collectively referred as "SEBI SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations"), the provisions of any regulations/guidelines prescribed by the Securities and Exchange Board of India ("SEBI"), the provisions of any other applicable laws and regulations (including any amendment thereto or modification(s) or re-enactment(s) thereof from time to time), the relevant provisions of the Memorandum and Articles of Association of the Company, and subject to any applicable approval(s), permission(s) and sanction(s) of any authorities and further subject to any condition(s) and modification(s) as may be prescribed or imposed by such authorities while granting such approval(s), permission(s) and sanction(s), the approval of the Company be and is hereby accorded to the introduction and implementation of 'KPIT Technologies Limited- Restricted Stock Unit Plan 2022' ("RSU 2022"/ "Plan") authorising the Board of Directors of the Company *(hereinafter referred to as the "Board" which term shall be deemed to include any committee, including the Nomination and Remuneration (HR) Committee which the Board has constituted or may constitute under Regulation 19 of the SEBI Listing Regulations to exercise its powers, including the powers, conferred by this resolution)* to create, issue and grant from time to time, in one or more tranches, not exceeding 41,12,157 (Forty One Lakh Twelve Thousand One Hundred and Fifty Seven) restricted stock units ("RSUs") to or for the benefit of such person(s) working exclusively with the Company, its subsidiaries or group companies (including associate companies), whether in or outside India, including any director, whether whole-time or not (excluding the employees who are promoters and persons belonging to the promoter group including a non-executive director, independent directors and directors holding directly or indirectly more than 10% (ten percent) of the outstanding equity shares of the Company) subject to their eligibility as may be determined under the Plan, exercisable into not more than 41,12,157 (Forty One Lakh Twelve Thousand One Hundred and Fifty Seven) equity shares ("Shares") of face value of ₹ 10/- (Rupees Ten) each fully paid-up, out of which 31,12,157 (Thirty One Lakh Twelve Thousand One Hundred and Fifty Seven) Shares to be sourced from primary issue by the Company and 10,00,000 (Ten Lakh) Shares to be acquired by way of secondary acquisition through the existing irrevocable employee welfare trust of the Company namely 'KPIT Technologies Limited Employees Welfare Trust' **("Trust")** using free funds (net of any outstanding liabilities and administrative expenses of the Trust) with the Trust from time to time and/or obtaining fresh loan from the Company for the purpose of subscribing and acquiring Shares, where one RSU upon exercise shall convert in to one Share upon exercise subject to payment/recovery of requisite exercise price and applicable taxes, on such terms, condition and in such manner as the Board/Committee may decide in accordance with the provisions of the applicable laws and the provisions of the Plan.

RESOLVED FURTHER THAT the Shares as specified hereinabove shall be transferred by the Trust to the RSU grantees upon exercise of RSUs in accordance with the terms of the grant and provisions of the Plan and such Shares shall rank *pari passu* in all respects with the then existing Shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, or other re-organization, the ceiling aforesaid in terms of number of Shares reserved under the Plan shall be adjusted with a view to facilitate fair and reasonable adjustment to the eligible employees as per provisions of the SEBI SBEB Regulations and such adjusted number of Shares shall be deemed to be the ceiling as originally approved.

RESOLVED FURTHER THAT in case the Shares of the Company are either sub-divided or consolidated, then the ceiling in terms of number of Shares specified above shall automatically stand augmented or reduced, as the case may be, in the same proportion as the face value per Share shall bear to the revised face value of the Share of the Company after such sub-division or consolidation.

RESOLVED FURTHER THAT the trustees of the Trust shall not vote in respect of the Shares subscribed, acquired and held by such Trust.

RESOLVED FURTHER THAT for the purposes of disclosures to the stock exchange, the shareholding of the Trust shall be shown as 'non-promoter and non-public shareholding'.

RESOLVED FURTHER THAT the trustees of the Trust shall ensure compliance of the provisions of the SEBI SBEB Regulations, Rules made under the Companies Act, 2013 and all other applicable laws at all times in connection with acquisition, holding and dealing in the shares of the Company including but not limited to maintenance of proper books of account, records and documents with appropriate disclosures as prescribed.

RESOLVED FURTHER THAT the Company and Trust shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Plan.

RESOLVED FURTHER THAT the Board be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Plan subject to consent of the members by way of a special resolution to the extent required under the applicable laws including the SEBI SBEB Regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereof."

13. **To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:**

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'

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder, relevant provisions of the Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 and any circulars/notifications/ guidance/frequently asked questions issued thereunder, as amended from time to time (collectively referred as "SEBI SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations"), the provisions of any other applicable laws and regulations (including any amendment thereto or modification(s) or re-enactment(s) thereof from time to time), the relevant provisions of the Memorandum and Articles of Association of the Company, and subject to any applicable approval(s), permission(s) and sanction(s) of any authorities and further subject to any condition(s) and modification(s) as may be prescribed or imposed by such authorities while granting such approval(s), permission(s) and sanction(s), the approval of the Company be and is hereby accorded to the Board of Directors of the Company *(hereinafter referred to as the "Board" which term shall be deemed to include any committee, including the Nomination and Remuneration (HR) Committee which the Board has constituted or may constitute under Regulation 19 of the SEBI Listing Regulations to exercise its powers, including the powers, conferred by this resolution)* to create, offer and grant from time to time, in one or more tranches, such number of restricted stock units ("RSUs") under the 'KPIT Technologies Limited- Restricted Stock Unit Plan 2022' ("RSU 2022"/ "Plan") within the limit prescribed therein to or for the benefit of such person(s) who are exclusively working with any existing or future Subsidiary Company(ies) of the Company, in India or outside India, including any Director thereof, whether whole time or otherwise, exercisable into corresponding number of equity shares of face value of ₹ 10/- (Rupees Ten) each fully paid-up upon exercise and be transferred to the RSU grantee by the KPIT Technologies Limited Employees Welfare Trust ("Trust") of the Company, on such terms and in such manner as the Board /Committee may decide in accordance with the provisions of the applicable laws and the provisions of Plan."

14. **To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:**

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'

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder, relevant provisions of the Regulation 3(8) of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 and any circulars/notifications/ guidance/ frequently asked questions issued thereunder, as amended from time to time (collectively referred as "SEBI SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations"), the provisions of any regulations/guidelines prescribed by the Securities and Exchange Board of India ("SEBI"), the provisions of any other applicable laws and regulations (including any amendment thereto or modification(s) or re-enactment(s) thereof from time to time), the relevant provisions of the Memorandum and Articles of Association of the Company, and subject to any applicable approval(s), permission(s) and sanction(s) of any authorities and further subject to any condition(s) and modification(s) as may be prescribed or imposed by such authorities while granting such approval(s), permission(s) and sanction(s), the approval of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee, including the Nomination and Remuneration (HR) Committee which the Board has constituted or may constitute under Regulation 19 of the SEBI Listing Regulations to exercise its powers, including the powers, conferred by this resolution) to create, offer and grant from time to time, in one of more tranches, such number of restricted stock units ("RSUs") under the 'KPIT Technologies Limited-Restricted Stock Unit Plan 2022' ("RSU 2022"/ "Plan") within the limit prescribed therein to or for the benefit of such person(s) working exclusively with the existing or future group company(ies) including associate company(ies) of the Company, in India or outside India, including any Director thereof, whether whole time or otherwise as may be decided under the Plan, exercisable into corresponding number of equity shares of face value of ₹ 10/- (Rupees Ten) each fully paid-up upon exercise and be transferred to the RSU grantee by the KPIT Technologies Limited Employees Welfare Trust ("Trust") of the Company, on such terms and in such manner as the Board /Committee may decide in accordance with the provisions of the applicable laws and the provisions of Plan."

15. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

Approval of secondary acquisition of shares through Trust route for the implementation of 'KPIT Technologies Limited-Restricted Stock Unit Plan 2022' ("RSU 2022"/ "Plan")

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, and in accordance with the Memorandum and Articles of Association of the Company, Regulation 3(6) of Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations"), the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject further to such other approvals, permissions and sanctions as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the Company be and is hereby accorded to authorise the Board of Directors of the Company *(hereinafter referred to as the "Board" which term shall be deemed to include any committee, including the Nomination and Remuneration (HR) Committee which the Board has constituted or may constitute under Regulation 19 of the SEBI Listing Regulations to exercise its powers, including the powers, conferred by this resolution)* to acquire not exceeding 10,00,000 (Ten Lakh) fully paid-up equity shares ("Shares") of the Company of face value of ₹ 10/- (Rupees Ten) each in aggregate, being 0.36% of the paid-up equity share capital of the Company as on March 31, 2022, by way of secondary acquisition, in one or more tranches, within the statutory ceiling as per the SEBI SBEB Regulations, through the irrevocable employee welfare trust of the Company namely the KPIT Technologies Limited Employees Welfare Trust ("Trust"), using the free funds (net of any outstanding liabilities and administrative expenses of the Trust) available with the Trust and/or obtaining fresh loan from the Company, for the purpose of implementation of the Plan in due compliance with the provisions of the SEBI SBEB Regulations and other applicable laws, subject to the condition that any fresh loan from the Company shall be facilitated upon exhaustion of free funds available with the Trust.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, or other re-organization, the ceiling aforesaid in terms of number of equity shares intended to be purchased by the Trust from secondary acquisition shall be adjusted with a view to facilitate fair and reasonable adjustment to the eligible employees as per provisions of the SEBI SBEB Regulations and such adjusted number of Shares shall be deemed to be the ceiling as originally approved.

RESOLVED FURTHER THAT the Trust shall not deal in derivatives and shall undertake only delivery-based transactions for the purposes of secondary acquisition as permitted under the SBEB Regulations.

RESOLVED FURTHER THAT Shares that can be acquired through the secondary acquisition in any financial year by the Trust shall not exceed such ceiling as may be prescribed under SEBI SBEB Regulations from time to time.

RESOLVED FURTHER THAT for the purposes

of disclosures to the stock exchange, the shareholding of the Trust shall be shown as 'non-promoter and non-public shareholding'.

RESOLVED FURTHER THAT the Trustees of the Trust shall ensure compliance of the provisions of the SEBI SBEB Regulations, Rules made under the Companies Act, 2013 and all other applicable laws at all times in connection with acquisition, holding and dealing in the shares of the Company including but not limited to maintenance of proper books of account, records and documents with appropriate disclosures as prescribed."

16. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

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'

"RESOLVED THAT pursuant to the provisions of Section 67(3)(b) and all other applicable provisions, if any, of the Companies Act, 2013, the Memorandum and Articles of Association of the Company, Regulation 3(8) of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 ("SBEB Regulations") read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 and subject further to such other approvals, permissions and sanctions as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the Company be and is hereby accorded and authorizing the Board of Directors of the Company *(hereinafter referred to as the "Board" which term shall be deemed to include any committee, including the Nomination and Remuneration (HR) Committee which the Board has constituted or may constitute under Regulation 19 of the SEBI Listing Regulations to exercise its powers, including the powers, conferred by this resolution)* to grant loan, provide guarantee or security in connection with a loan granted or to be granted, in one or more tranches, to the irrevocable employee welfare trust of the Company namely the 'KPIT Technologies Limited Employees Welfare Trust' ("Trust") by such sum of money not exceeding 5% (Five Percent) of the aggregate of the paid up share capital and free reserves of the Company as on March 31, 2022, with a view to enable the Trust to subscribe and/or purchase equity shares of the Company of face value of ₹ 10/- (Rupees Ten) each by fresh issue and/or from the secondary market for facilitating implementation of 'KPIT Technologies Limited-Restricted Stock Unit Plan 2022' ("RSU 2022"/ "Plan") and any other share based employee benefit scheme(s) taken together.

RESOLVED FURTHER THAT any fresh loan, guarantee or security in connection with a loan provided by the Company for purchase of Shares by way of secondary acquisition shall be subject to exhaustion of free funds (net of any outstanding liabilities and administrative expenses of the Trust) available with the Trust.

RESOLVED FURTHER THAT the Trust shall use the loan amount disbursed from time to time only for the purposes of the Plan strictly in accordance with the provisions of SBEB Regulations.

RESOLVED FURTHER THAT any loan provided by the Company shall be at arm's length basis as to rate of interest with tenure of such loan based on term of the Plan and shall be repayable to the Company upon realization of proceeds on permitted sale/transfer of shares and any other income of the Trust.

RESOLVED FURTHER THAT subject to the broad terms above, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient."

17. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

To approve amendments in 'KPIT Technologies Limited-Employee Stock Option Scheme 2019A'

"RESOLVED THAT in partial modification of earlier special resolution passed by the members of the Company by way of postal ballot on July 23, 2019 approving "KPIT Technologies Limited-Employee Stock Option Scheme 2019A" ('ESOS 2019A'/ 'Scheme') and special resolution passed by the members of the Company by way of postal ballot on June 30, 2020 for approving amendments in the ESOS 2019A, pursuant to the provisions of Regulations 7 of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 **("SEBI SBEB Regulations")**, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions of the Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, the provisions of the Memorandum and Article of Association of the Company, subject further to such other approvals, permissions and sanctions as may be necessary of any authorities subject to such conditions and modifications as may be prescribed or imposed by such authorities while granting such approvals, permissions and sanctions, the approval of the Company be and is hereby accorded to the amended ESOS 2019A being revised with a view to increase the aggregate number of employee stock options ("Options") as originally reserved thereunder from 37,93,923 (Thirty Seven Lakh Ninety Three Thousand Nine Hundred and Twenty Three) to 41,28,493 (Forty One Lakh Twenty Eight Thousand Four Hundred and Ninety Three) with an addition of 3,34,570 (Three Lakh Thirty Four Thousand Five Hundred and Seventy) Options by creating additional Options for grant to the eligible employees of the Company and/or its subsidiary company(ies), from time to time, in one or more tranches, under ESOS 2019A as amended, convertible into not exceeding 41,28,493 (Forty One Lakh Twenty Eight Thousand Four Hundred and Ninety Three) equity shares ("Shares") of face value of ₹10/- each fully paid-up upon exercise of vested Options, with the additional pool of Shares to be sourced from the Shares available with the 'KPIT Technologies Limited Employees Welfare Trust' ("Trust").

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional Shares are required to be issued by the Company to the Option grantees for the purpose of making a fair and reasonable adjustment to Options granted earlier, the proposed ceiling in terms of number of Options and Shares specified above shall be deemed to be increased to the extent of such additional Shares required to be issued.

RESOLVED FURTHER THAT the Board of Directors of the Company *(hereinafter referred to as the "Board" which term shall be deemed to include any committee, including the Nomination and Remuneration (HR) Committee which the Board has constituted or may constitute under Regulation 19 of the SEBI Listing Regulations to exercise its powers, including the powers, conferred by this resolution)* be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things and sign deeds, documents, letters and such other papers as may be necessary, desirable and expedient, as it may in its absolute discretion deem fit or necessary or desirable for such purpose including giving effect to the proposed amendments in the Scheme and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard."

18. To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

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"

"RESOLVED THAT subject to the approval of the proposed amendments in "KPIT Technologies Limited - Employee Stock Option Scheme 2019A" **('ESOS 2019A'/ 'Scheme')** placed at item no. 17 above, pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder, relevant provisions of the Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 and any circulars/notifications/ guidance/frequently asked questions issued thereunder, as amended from time to time (collectively referred as "SEBI SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations"), the provisions of any other applicable laws and regulations (including any amendment thereto or modification(s) or re-enactment(s) thereof from time to time), the relevant provisions of the Memorandum and Articles of Association of the Company, and subject to any applicable approval(s), permission(s) and sanction(s) of any authorities and further subject to any condition(s) and modification(s) as may be prescribed or imposed by such authorities while granting such approval(s), permission(s) and sanction(s), the approval of the Company be and is hereby accorded to the Board of Directors of the Company *(hereinafter referred to as the "Board" which term shall be deemed to* *include any committee, including the Nomination and Remuneration (HR) Committee which the Board has constituted or may constitute under Regulation 19 of the SEBI Listing Regulations to exercise its powers, including the powers, conferred by this resolution)* to create, offer and grant from time to time, in one or more tranches, such number of employee stock options ("Options") under the ESOS 2019A as amended within the limit prescribed therein to or for the benefit of such person(s) who are exclusively working with any existing or future Subsidiary Company(ies) of the Company, in India or outside India, including any Director thereof, whether whole time or otherwise, exercisable into corresponding number of equity shares of face value of ₹ 10/- (Rupees Ten) each fully paid-up upon exercise and be transferred to the Option grantee by the KPIT Technologies Limited Employees Welfare Trust ("Trust") of the Company, on such terms and in such manner as the Board /Committee may decide in accordance with the provisions of the applicable laws and the provisions of ESOS 2019A.

By Order of the Board of Directors
For **KPIT Technologies Limited**

Pune
July 26, 2022

Nida Deshpande
Company Secretary

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ("the Act") 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 Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment and re-appointment at this AGM is annexed.
3. Ministry of Corporate Affairs (MCA), vide General Circular nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 and 02/2021 dated January 13, 2021 provided certain relaxations for companies, including conducting Annual General Meeting (AGM) through Video Conferencing (VC) or through Other Audio Visual Means (OAVM) for passing of special and ordinary resolution by Company on account of threat posed by COVID-19. Further, MCA vide General Circular 2/2022 dated May 5, 2022, & Securities and Exchange Board of India vide circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, has extended these relaxations to Annual General Meeting of companies to be conducted during the calendar year 2022 and permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, SEBI Regulations, 2015 and MCA Circulars, the AGM of the Company is being held through VC/OAVM.
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 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 ("Insta Poll") 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 through Insta Poll 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 through VC / OAVM on its behalf and to vote 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@kfintech.com. 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 **Wednesday, August 17, 2022** as the **Record Date** for determining entitlement of Members to final dividend for the financial year ended March 31, 2022, if approved at the AGM.

10. The Company has fixed **Wednesday, August 17, 2022** as the **Cut-off Date** for determining entitlement of members to vote on the resolutions set forth in above notice for the financial year ended March 31, 2022.

11. The e-voting period commences on **Friday, August 19, 2022 (1:00 p.m. IST) and ends on Tuesday, August 23, 2022 (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 Wednesday, August 17, 2022** may cast their votes electronically. The e-voting module will be disabled by KFin Technologies Limited ("KFin") 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. Wednesday, August 17, 2022.**

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 einward.ris@kfintech.com. However, if he / she is already registered with KFin 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 2021-22 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 2021-22 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 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 2021-22 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. **Wednesday, August 24, 2022,** 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 dividend is declared, same will be paid after deducting TDS. 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 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. Wednesday, August 24, 2022. Members seeking to inspect such documents may send an email to grievances@kpit.com.

24. Since Annual General Meeting of the Company is held through VC /OAVM, the Attendance sheet, Venue Route map is not attached with this notice.

EXPLANATORY STATEMENT AND ADDITIONAL INFORMATION ON DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT 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 18 of accompanying Notice.]

Item No. 4:

Mr. S. B. (Ravi) Pandit, aged 72 years, is a Co-founder and Chairman of the Board. 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. KPIT, under leadership of Mr. Pandit over the last 20+ years, 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 holds a Master's Degree in Management from Sloan School of Management, MIT, Cambridge, USA. He is a gold medalist and fellow member of the Institute of Chartered Accountants of India and an associate member of the Institute of Cost Accountants of India. He was the President of the Mahratta Chamber of Commerce, Industries and Agriculture during 2004-2006. Mr. Pandit has been awarded the Rotary Excellence Award for exemplary leadership and outstanding performance and 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. 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. 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 possesses experience of 47 years.

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. S. B. (Ravi) Pandit retires by rotation at this Annual General Meeting in accordance with Section 152 of the Companies Act, 2013 and being eligible, offers himself for reappointment.

The details of his directorships and membership of committees in other companies are as follows as on March 31, 2022:

Directorships:

Name of the Company	Designation
Thermax Limited	Independent Director
KP Corporate Solutions Limited	Director
Kirtane Pandit Consulting Private Limited	Director
Kirtane Pandit Foundation Private Limited	Director
K and P Management Services Private Limited	Director
KP Capital Advisors Private Limited	Director
Sentient Labs Private Limited	Director
Hypower Mobility Private Limited	Director

Membership:

Name of the Company	Name of the Committee	Chairman/ Member
Thermax Limited	Corporate Social Responsibility Committee	Member
	Stakeholders Relationship Committee	Member

Mr. Pandit attended all 10 meetings of the Board of the Company during the year.

Mr. Pandit as on March 31, 2022, holds 9,89,306 equity shares in the Company.

Details of last drawn remuneration of Mr. S. B (Ravi) Pandit are given in the Corporate Governance report of this Annual report.

Mr. Pandit is not related to any other Director or Key Managerial Personnel of the Company or the relatives of other Directors or Key Managerial Personnel except his son, Mr. Chinmay Pandit, Additional Director and Executive Director (Whole-time).

Except Mr. S. B. (Ravi) Pandit or his relatives, none of the Directors or key managerial personnel or their relatives are concerned or interested, financial or otherwise, in the proposed resolution.

The Board of Directors recommends the Ordinary Resolution set forth as Item No. 4 of the notice for approval of the shareholders.

Item No. 5 & 6:

Mr. Anup Sable, aged 53 years, is 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. He is also responsible for incubating the Middleware and Virtualization Practices which will be a major growth driver in future and will enhance KPIT's recognition as a trusted software and integration partner to the Automotive & Mobility industry.

Mr. Anup Sable 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.

Mr. Anup Sable, a 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. Mr. Anup Sable has 34 years of experience. Mr. Anup Sable 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.

In recognition of his qualification, experience, achievements and stellar contribution to the growth of the Company, the Board of Directors has appointed Mr. Sable as an Additional Director of the Company to hold office till the date of the ensuing Annual General Meeting & as an Executive Director (Whole-time) of the Company with effect from December 22, 2021 on the recommendation of the Nomination & Remuneration (HR) Committee.

The elevation of Mr. Sable to the KPIT Board, would benefit the Company to be the best place to grow and to make software-defined vehicles a reality. His keen sense for blending technology trends and customer challenges will continue to propel KPIT's vision of *'Reimagining Mobility With You for a cleaner, smarter and safer world'*. Therefore, it is proposed to appoint Mr. Anup Sable as Executive Director (Whole-time) of the Company for a period of five years with effect from December 22, 2021.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Anup Sable for the office of Director of the Company. Mr. Anup Sable 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.

The details of his directorships and membership of committees in other companies are as follows as on March 31, 2022:

Directorships:

Names of the Companies	Designation
Yantra Digital Services Private Limited, Associate Company	Director
PathPartner Technology Private Limited, Subsidiary Company	Director
PathPartner Technology Interior Sensing Private Limited*	Director

*resigned w.e.f. April 1, 2022

Membership:

Name of the Company	Name of the Committee	Chairman/ Member
PathPartner Technology Private Limited	Corporate Social Responsibility Committee	Member

Details of last drawn remuneration of Mr. Anup Sable are given in the Corporate Governance report of this Annual report.

Mr. Sable attended all 3 meetings of the Board of the Company during the year post his appointment as Additional Director.

As on March 31, 2022, Mr. Sable holds 4,01,872 equity shares in the Company.

Brief terms and conditions of appointment of Mr. Anup Sable are given below:

- The 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), (c) and (d) below, shall be payable to Mr. Anup Sable with effect from December 22, 2021 for a period of five years and shall be within the limits approved by special resolution under section 197 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 passed by the members in the annual general meeting 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 with effect from August 25, 2021 for a period of five years.

a) He shall be paid a fixed basic salary, perquisites and allowances in the range of ₹ 110 lacs per annum to ₹ 320 lacs per annum. Within this range, the aggregate of fixed basic salary, perquisites and allowances may be revised 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 incentive, share based employee benefits, other benefits, and increments as per the policy of the Company as detailed below in point (b), (c) and (d) shall be excluded from the afore-mentioned range.

b) The following other benefits as per the policy of the Company shall be allowed to the Whole-time Director:

   i. Company's contribution to Provident Fund,

   ii. Gratuity as per the policy of the Company in force from time to time,

   iii. Encashment of leave as per the rules of the Company in force from time to time,

   iv. Use of company-provided cars,

   v. Group medical insurance and group personal accident insurance as per the policy of the Company in force from time to time.

c) Variable incentive, special incentives and increments as per the policy of the Company of such amount 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.

d) He shall be eligible for grant of share based employee benefits including appropriate number of stock options based on his continued employment in the Company and performance of the Company as may be determined from time to time by the Nomination and Remuneration (HR) Committee of the Board of Directors under the present or future share based employee benefits schemes of the Company, group companies, subsidiaries, associate companies in India or abroad.

e) The Headquarters of Mr. Anup Sable 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 in India or abroad.

If the Company incurs a loss or its profits are inadequate in any financial year during the tenure of Mr. Anup Sable, he may be paid such minimum remuneration as determined by the Board of Directors on recommendation of the Nomination & Remuneration (HR) Committee of the Board of Directors, within the limits laid down in Section II, Part II of Schedule V of the Companies Act, 2013. In such a case, the following perquisites shall not be included in the computation of the ceiling on remuneration in case the company has inadequate profits or loss in that financial year.

a) contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961 (43 of 1961);

b) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

c) encashment of leave at the end of the tenure.

Particulars as per Section II of Part II of Schedule V of the Companies Act, 2013 are given below.

I. General Information:

1. Nature of industry:

KPIT is a leading independent software development and integration partner helping mobility leapfrog towards a clean, smart, and safe future. With 7000 automobelievers across the globe specializing in embedded software, AI, and digital solutions, KPIT accelerates clients' implementation of next-generation technologies for the future mobility roadmap. With engineering centers in Europe, the USA, Japan, China, Thailand, and India, KPIT works with leaders in automotive and mobility and is present where the ecosystem is transforming.

2. **Financial performance based on given indicators:**

   Please refer to Financial Statements attached to this notice.

3. **Foreign investments or collaborations, if any:** Nil

II. Information about the appointee:

1. **Background details:**

   Please refer to paragraphs above in this item for these details.

2. **Past remuneration:**

   Details of last drawn remuneration of Mr. Anup Sable are given in the Corporate Governance report of this Annual report.

3. **Job profile and his suitability:**

   Mr. Anup Sable is the Chief Technology Officer in 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 of the 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.

   The previous paragraphs give information on the suitability of Mr. Anup Sable.

4. **Remuneration proposed:**

   (a)Fixed remuneration: Range of ₹ 110 lacs per annum to ₹ 320 lacs per annum over the tenure.

   (b)Variable remuneration: As fixed by the Board of Directors on recommendation of the Nomination & Remuneration (HR) committee of the Board of Directors from time to time.

   (c)Total remuneration: Subject to an overall ceiling of 15% for all the whole-time directors and managing director(s).

   (d)Perquisites and other details: Please refer to previous paragraphs in this item of business.

5. **Comparative remuneration profile with respect to industry, size of the company, profile of position and person:**

   The comparative remuneration in the Engineering Industry for companies with revenues in the range of ₹ 24,108 Mn to ₹ 105,253 Mn for the position of Executive Director (Whole-time) ranged from ₹ 17.03 Mn to ₹ 142.03 Mn for the year 2021-22.

6. **Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:**

   Please refer Note No. 44 to the standalone financial statements attached.

III. Other information:

1. **Reasons of loss or inadequate profits:** Not applicable.

2. **Steps taken or proposed to be taken for improvement:** Not applicable.

3. **Expected increase in productivity and profits in measurable terms:** Not applicable.

The Agreement will be entered into between the Company and Mr. Anup Sable 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 Whole-time Director shall be approved by the members at a general meeting of the Company.

Mr. Sable 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. Sable is concerned or interested in the Ordinary 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. 5 & 6 of the notice for approval of the shareholders.

Item No. 7 & 8:

Mr. Chinmay Pandit, aged 43 years, is 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 15 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 new-age 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 20 years.

Mr. Chinmay Pandit was appointed as an Additional Director on the Board of the Company to hold office till the date of ensuing Annual General Meeting & as an Executive Director (Whole-time) of the Company with effect from July 26, 2022 on the recommendation of the Nomination & Remuneration (HR) Committee.

Starting his career as a Chartered Accountant in enterprise technologies, he brings a blended background in finance, technology and general management. His cross geography and multi-domain experience help KPIT to accelerate strategic advancement for clients within the vertical and the geography and further foster transformational growth. Therefore, it is proposed to appoint Mr. Chinmay Pandit as Executive Director (Whole-time) of the Company for a period of five years with effect from July 26, 2022.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Chinmay Pandit for the office of Director of the Company. Mr. Chinmay Pandit 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.

The details of his directorships and membership in other companies are as follows as on March 31, 2022:

Directorships:

Names of the Companies	Designation
KPIT Technologies Inc.	Director

Mr. Chinmay Pandit does not hold chairmanship / membership of any committee in other companies.

Mr. Chinmay Pandit has been appointed as an Additional and Executive Director (Whole-time) with effect from July 26, 2022.

As on March 31, 2022, Mr. Chinmay Pandit holds 38,620 equity shares in the Company.

Brief terms and conditions of appointment of Mr. Chinmay Pandit are given below:

- The 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. Chinmay Pandit with effect from July 26, 2022 for a period of five years and shall be within the limits approved by special resolution under section 197 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and

Disclosure Requirements) Regulations, 2015 passed by the members in the annual general meeting 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 with effect from August 25, 2021 for a period of five years.

a) He shall be paid a fixed basic salary, perquisites and allowances in the range of ₹ 100 lacs per annum to ₹ 300 lacs per annum. Within this range, the aggregate of fixed basic salary, perquisites and allowances may be revised 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 incentive, other benefits, and increments as per the policy of the Company as detailed below in point (b) and (c)shall be excluded from the afore-mentioned range.

b) The following other benefits as per the policy of the Company shall be allowed to the Whole-time Director:

   i. Company's contribution to Provident Fund,

   ii. Gratuity as per the policy of the Company in force from time to time,

   iii. Encashment of leave as per the rules of the Company in force from time to time,

   iv. Use of company-provided cars,

   v. Group medical insurance and group personal accident insurance as per the policy of the Company in force from time to time.

c) Variable incentive, special incentives and increments as per the policy of the Company of such amount 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.

d) The Headquarters of Mr. Chinmay Pandit 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 in India or abroad.

e) As exempted in Explanation II of Part I of Schedule V of the Companies Act, 2013, the Company being in Special Economic Zone as notified by Department of Commerce, shall not be required to fulfil conditions as mentioned Part I (e) of Schedule V read with Section 196, 197 of the Companies Act, 2013.

If the Company incurs a loss or its profits are inadequate in any financial year during the tenure of Mr. Chinmay Pandit, he may be paid such minimum remuneration as determined by the Board of Directors or the Nomination & Remuneration (HR) Committee of the Board of Directors, within the limits laid down in Section II, Part II of Schedule V of the Companies Act, 2013. In such a case, the following perquisites shall not be included in the computation of the ceiling on remuneration in case the company has inadequate profits or loss in that financial year.

a) contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961 (43 of 1961);

b) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

c) encashment of leave at the end of the tenure.

Particulars as per Section II of Part II of Schedule V of the Companies Act, 2013 are given below.

I. General Information:

1. Nature of industry:

KPIT is a leading independent software development and integration partner helping mobility leapfrog towards a clean, smart, and safe future. With 7000 automobelievers across the globe specializing in embedded software, AI, and digital solutions, KPIT accelerates clients' implementation of next-generation technologies for the future mobility roadmap. With engineering centers in Europe, the USA, Japan, China, Thailand, and India, KPIT works with leaders in automotive and mobility and is present where the ecosystem is transforming.

2. **Financial performance based on given indicators:**

   Please refer to Financial Statements attached to this notice.

3. **Foreign investments or collaborations, if any:** Nil

II. **Information about the appointee:**

1. **Background details:**

   Please refer to paragraphs above in this item for these details.

2. **Past remuneration:**

   Mr. Chinmay Pandit, being appointed for the first time as a Director of the Company, has not been paid any remuneration as a Director during the financial year 2021-22.

3. **Job profile and his suitability:**

   Currently, Mr. Chinmay Pandit operates from USA office of KPIT as Head – Commercial Vehicles & Americas Operations. He is Executive Vice President at KPIT, where 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. He brings cross geography and multi-domain experience to accelerate strategic advancement for all clients within the vertical and further foster transformational growth for the Company. Mr. Chinmay Pandit also leads Vehicle Engineering & Design practice/business line of the Company.

   The previous paragraphs give information on the suitability of Mr. Chinmay Pandit.

4. **Remuneration proposed:**

   <u>(a)Fixed remuneration:</u> Range of ₹ 100 lacs per annum to ₹ 300 lacs per annum over the tenure.

   <u>(b)Variable remuneration:</u> As fixed by the Board of Directors on recommendation of the Nomination & Remuneration (HR) committee of the Board of Directors from time to time.

   <u>(c)Total remuneration:</u> Subject to an overall ceiling of 15% for all the whole-time directors and managing director(s).

   <u>(d)Perquisites and other details:</u> Please refer to previous paragraphs in this item of business.

5. **Comparative remuneration profile with respect to industry, size of the company, profile of position and person:**

   The comparative remuneration in the Engineering Industry for companies with revenues in the range of ₹ 24,108 Mn to ₹ 105,253 Mn for the position of Executive Director (Whole-time) ranged from ₹ 17.03 Mn to ₹ 142.03 Mn for the year 2021-22.

6. **Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:**

   Please refer Note No. 44 to the standalone financial statements attached.

III. **Other information:**

1. **Reasons of loss or inadequate profits:** Not applicable.

2. **Steps taken or proposed to be taken for improvement:** Not applicable.

3. **Expected increase in productivity and profits in measurable terms:** Not applicable.

The Agreement will be entered into between the Company and Mr. Chinmay Pandit 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 Whole-time Director shall be approved by the members at a general meeting of the Company.

Mr. Chinmay Pandit is concerned or interested in the Ordinary Resolution to the extent of the remuneration payable to him under the authority of the resolution.

Mr. Chinmay Pandit is son of Mr. S. B. (Ravi) Pandit, Chairman and Non-executive Director of the Company. None of the Directors, 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.

The Board of Directors recommends the Ordinary Resolution set forth as Item No. 7 & 8 of the notice for approval of the shareholders.

Item No. 9:

Ms. Bhavna Doshi, aged 69 years, was appointed as an Additional Director of the Company to hold office till the date of the ensuing Annual General Meeting & as an Independent Director of the Company with effect from September 15, 2021 pursuant to the provisions of Section 149 of the Companies Act, 2013, on the recommendation of the Nomination & Remuneration (HR) Committee.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Ms. Bhavna Doshi for the office of Independent Director of the Company. Ms. Bhavna Doshi is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director.

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 University of Mumbai.

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 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. During her Presidentship, established "IMC Inclusive Innovation Awards" to recognize work of the grass root innovators which meet the criteria of "affordable excellence". She 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). She 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. She has travelled extensively within and outside of India. She serves as independent director on Boards of several listed companies. Ms. Bhavna Doshi possesses vast experience of 30+ years.

The details of her directorships and membership of committees in other companies are as follows as on March 31, 2022:

Directorships:

Name of the company	Designation
Sun Pharma Advanced Research Company Limited	Independent Director
Nuvoco Vistas Corporation Limited	Independent Director
Indusind Bank Limited	Independent Director
Everest Industries Limited	Independent Director
Greatship (India) Limited	Independent Director
ICAI Accounting Research Foundation	Director
AIC NMIMS Incubation Center	Director
Connect Capital Private Limited	Director

Membership:

Name of the Company	Name of the Committee	Chairperson/ Member
Everest Industries Limited	Nomination & Remuneration Committee	Member
	Audit Committee	Member
Indusind Bank Limited	Audit Committee	Chairperson
	Stakeholder's Relationship Committee	Member
	Risk Management Committee	Member
	Finance Committee	Member
	Review Committee of Board (non-co-operative borrowers and willful defaulters)	Member
Sun Pharma Advanced Research Company Limited	Audit Committee	Chairperson
	Nomination & Remuneration Committee	Member
	Risk Management Committee	Member
	CSR committee	Member
Nuvoco Vistas Corporation Limited	Audit Committee	Chairperson
	Nomination & Remuneration Committee	Member
	Risk Management Committee	Member
Greatship (India) Limited	Audit Committee	Member
	Nomination & Remuneration Committee	Member

Details of last drawn remuneration of Ms. Bhavna Doshi are given in the Corporate Governance report of this Annual report.

Ms. Bhavna Doshi attended all 6 meetings of the Board of the Company during the year post her appointment as Additional and Independent Director w.e.f. September 15, 2021.

Ms. Bhavna Doshi does not hold any shares in the Company as on March 31, 2022.

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 Ms. Bhavna Doshi as an Independent Director in the Annual General Meeting for a period of five years from September 15, 2021, not liable to retire by rotation.

Ms. Bhavna Doshi 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 (http://www.kpit.com/company/investors/corporate-governance).

Ms. Bhavna Doshi has submitted a declaration of her independent status as required under Section 149 of the Companies Act, 2013 and that she 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, Ms. Doshi 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 Ms. Doshi is independent of the management.

Considering the qualifications, experience, expertise, accomplishments, mature wisdom and performance evaluation of Ms. Bhavna Doshi, the Board of Directors is of the view that appointment of Ms. Doshi as an Independent Director will benefit the Company and hence, recommends the Ordinary Resolution set forth as Item No. 9 of the Notice for the approval of the shareholders.

Ms. Bhavna Doshi is not related to any other director or key managerial personnel of the Company or relatives of Directors or key managerial personnel.

Ms. Bhavna Doshi is concerned or interested in the proposed resolution to the extent of the remuneration that the office of an independent director may carry.

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.

Item No. 10:

Prof. Rajiv Lal, aged 64 years, was appointed as an Additional Director of the Company to hold office till the date of the ensuing Annual General Meeting & as an Independent Director of the Company with effect from November 1, 2021 pursuant to the provisions of Section 149 of the Companies Act, 2013, on the recommendation of the Nomination & Remuneration (HR) Committee.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Prof. Rajiv Lal for the office of Independent Director of the Company. Prof. Rajiv Lal 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.

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 sales forces. 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, ItoYokado, 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. Prof. Rajiv Lal possesses rich experience of 35+ years.

Prof. Rajiv Lal does not hold directorships and membership of committees in other companies as on March 31, 2022.

Details of last drawn remuneration by Prof. Rajiv Lal are given in the Corporate Governance report of this Annual report.

Prof. Rajiv Lal attended 2 meetings of the Board of the Company during the year post his appointment as Additional and Independent Director w.e.f. November 1, 2021.

Prof. Rajiv Lal does not hold any shares in the Company as on March 31, 2022.

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 Prof. Rajiv Lal as an Independent Director in the Annual General Meeting for a period of five years from November 1, 2021 not liable to retire by rotation.

Prof. Rajiv Lal 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 (http://www.kpit.com/company/investors/corporate-governance).

Prof. Lal 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. Lal 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. Lal is independent of the management.

Considering the qualifications, experience, expertise, accomplishments, mature wisdom and performance evaluation of Prof. Lal, the Board of Directors is of the view that appointment of Prof. Lal as an Independent Director will benefit the Company and hence, recommends the Ordinary Resolution set forth as Item No. 10 of the Notice for the approval of the shareholders.

Prof. Rajiv Lal is not related to any other director or key managerial personnel of the Company or relatives of Directors or key managerial personnel.

Prof. Rajiv Lal is concerned or interested in the proposed resolution to the extent of the remuneration that the office of an independent director may carry.

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.

Item No. 11:

The Board of Directors in their meeting held on January 29, 2020, approved the appointment of Ms. Manasi Patil, on recommendation of the Nomination and Remuneration (HR) Committee, as Manager (HR) with effect from February 1, 2020, at a remuneration up to ₹ 30 Lacs p.a., the allowed limit under Section 188(1)(f) of the Companies Act, 2013 and the rules thereunder, being daughter of Mr. Kishor Patil, CEO & Managing Director of the Company.

Ms. Manasi Patil has completed B.E. Electrical & Computer Engineering from Carnegie Mellon University, USA and master's in business administration from Oxford University, UK. She ranked 18th in Pune district in the Secondary State Certificate exam in 2005. She was in Dean's List, College of Engineering, Carnegie Mellon University. She has been a Member, Team India at Inline Speed Skating World Championships, Venezuela. She has been working with various organizations like Culture Unplugged Studios, Krayon Pictures Private Limited, Teach for India and Life-Lab and having experience of 10 years.

Currently, Ms. Manasi Patil is leading Professional Skill Development team which is responsible for behavioural competency training from fresher to managers and leadership level globally. She is one of the high potential talents that the Company has. She plays a key role in managing organization wide initiative of culture of excellence in which behavioural framework of entire organization was updated and our performance management system reflects the updated behaviour. She also plays a key role in leadership development of Top 350+ talents though 360-degree feedback, psychometric and competency assessment which has provided the much-needed rigour to improve leadership pipeline for key positions at organization level.

Due to increased responsibilities in her role, it is now proposed to designate her as Senior Manager (HR) 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.

Therefore, the Members are requested to approve an Ordinary Resolution set forth as Item No. 11 of the Notice.

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. Manasi Patil
- Name of the Director or KMP who is related: Mr. Kishor Patil
- Nature of relationship: Ms. Manasi Patil is the daughter of Mr. Kishor Patil
- Nature, material terms, monetary value and particulars of the contract or arrangement: Ms. Manasi Patil is proposed to be designated as Senior Manager (HR) on remuneration and terms and conditions as stated in the Resolution as below:
  - Remuneration up to ₹ 45 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 24, 2022.
  - The Board of Directors may alter and subject to the limit on the remuneration stated above, vary the said terms and conditions of the appointment in such manner as may be agreed to between the Board of Directors and Ms. Manasi Patil.
  - The Headquarters of Ms. Manasi Patil 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 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, Key Managerial Personnel of the Company including their relatives are concerned or interested in the resolution in any way, except Mr. Kishor Patil.

Item Nos. 12, 13, 14 and 15:

Approval of the 'KPIT Technologies Limited-Restricted Stock Unit Plan 2022' (KPIT, Subsidiaries & Group companies including Associate companies) and Approval of secondary acquisition of shares through Trust route for the implementation of 'KPIT Technologies Limited-Restricted Stock Unit Plan 2022' ("RSU 2022"/ "Plan")

Equity based compensation is considered to be an integral part of employee compensation across sectors. It enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through share- based compensation scheme/plan. Equity market have seen a volatile period arising from the Ukraine- Russia war, commodity price rise & subsequent rise in inflation. The discussion of stagflation & recession fears has taken over the narrative of growth momentum making a comeback.

In today's competitive world, the employees of a Company are its most important resource and asset. The Company believes that share-based employee benefit schemes/ plans are effective tools to reward the talents working exclusively with the Company, its subsidiary company(ies) and group company(ies) including associate company(ies) for their contribution to the corporate growth, to create a co-ownership, to attract new talents, to retain the key resources and knowledge in the organisation.

It is common practice seen outside India to issue share based employee benefits at face value. Being having a global presence and to deliver industry leading performance, KPIT requires to minimize attrition, attract the best in class talent globally and retain key talent who are critical for growth & play key technical role and considering the Options/ shares available under the existing share-based employee benefit scheme(s) are inadequate, it is thought expedient to introduce a new share-based employee benefit plan namely 'KPIT Technologies Limited-Restricted Stock Unit Plan 2022' **("RSU 2022"/ "Plan")**, which results in lesser equity dilution in the Company. The Plan shall be administered through the existing irrevocable employee welfare trust of the Company namely 'KPIT Technologies Limited Employees Welfare Trust' **("Trust")**.

The Company is cognizant of the fact that while the aforementioned imperatives need to be catered to for sustained corporate growth, the Company needs to balance the same with shareholders' interests by way of ensuring a healthy dilution rate by offering discount. Whereas, discounted pricing shall be compensated by incorporating mandatory performance vesting conditions. The details of the performance vesting conditions are given at point (d) below.

Coverage of this RSU 2022 will be based on roles and not grades, covering managers and above roles viz from technical & project managers to Top 40, Executive Board and remaining upto 600 including new hires, acquisitions within and outside India and near shore delivery centre across geographies. The eligibility criteria for selection of employees from aforementioned levels would be as follows:

1. Critical role for growth of the Company;
2. Key technical role; and
3. People management role.

Selection of eligible employees from above stated levels and quantum of distribution of RSUs could vary at the discretion of the 'Nomination and Remuneration (HR) Committee' **("Committee")** of the Board of Directors of the Company.

The equity shares **("Shares")** required for the implementation of the proposed Plan shall be sourced from **(i)** primary issue of Shares to the extent of 1.14%; and **(ii)** secondary acquisition to the extent of 0.36%, respectively of the paid-up Shares of the Company as on March 31, 2022. The contemplated secondary acquisition through Trust is well within the ceiling prescribed under the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 **("SEBI SBEB Regulations")**. The specific number of Shares from the respective sources have been mentioned at point (b) below. Based on growth and profitability of the Company, various tranches of grants under RSU 2022 will be planned and executed in coming years within the overall approved framework of not exceeding 41,12,157 (Forty One Lakh Twelve Thousand One Hundred and Fifty Seven) RSUs.

For purchase of Shares from secondary acquisition, the Trust shall utilise free funds (net of any outstanding liabilities and administrative expenses of the Trust) available with it and only upon exhaustion of the free funds, the Trust may seek loan from the Company. Whereas, for subscription of the primary Shares, the Trust may seek loan from the Company. The loan sought in this regard shall be within the statutory limit, approval for which is sought separately. The loan amount may be disbursed in one or more tranches. The loan provided by the Company shall be at arm's length basis as to rate of interest with tenure of such loan based on term of the Plan and shall be repayable to the Company upon realization of proceeds on permitted sale/ transfer of equity shares including realization of exercise price and any other eventual income of the Trust. The Trust shall utilize the loan amount disbursed from time to time strictly for the acquisition of the Shares to be utilized for the purposes of the Plan.

As per provisions of Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 **("SEBI SBEB Regulations")**, the Company seeks members' approval for:

(i) Approval of the Plan;

(ii) Grant of RSUs to the eligible employees of the Company, its subsidiary company(ies) and group company(ies) including the associate company(ies) as per terms of the Plan; and

(iii) Use of Shares from secondary acquisition.

The main features of the Plan are as under:

a) Brief description of the Plan:

The Company proposes to introduce the Plan primarily with a view to attract, retain, incentivise and motivate the existing employees of the Company, its subsidiary company(ies) and group company(ies) including associate company(ies) and their Directors that would lead to higher corporate growth and productivity. The Plan contemplates grant of RSUs to the eligible employees (including Directors) of the Company, its subsidiary company(ies) and group company(ies) including associate company(ies), as may be determined in due compliance of SBEB Regulations and provisions of the Plan. After vesting of RSUs, the eligible employees earn a right (but not obligation) to exercise the vested RSUs within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon.

The Nomination and Remuneration (HR) Committee ("Committee") of the Company shall supervise the Plan. All questions of interpretation of the Plan shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Plan. Whereas the Trust shall administer the Plan.

b) Total number of RSUs to be granted:

The total number of RSUs to be granted under the Plan shall not exceed 41,12,157 (Forty One Lakh Twelve Thousand One Hundred and Fifty Seven) RSUs. The source shall be from (i) fresh issue up to 31,12,157 (Thirty One Lakh Twelve Thousand One Hundred and Fifty Seven) Shares, and (ii) secondary acquisition by the Trust up to 10,00,000 (Ten Lakh) Shares.

Based on growth and profitability of the Company, various tranches of grants under RSU 2022 will be planned and executed in coming years within the overall approved framework of not exceeding 41,12,157 (Forty One Lakh Twelve Thousand One Hundred and Fifty Seven) RSUs.

The figures contained above are subject to rounding-off adjusted to the next absolute number without decimal.

The SEBI Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment needs to be made to the RSUs granted. In this regard, the Committee shall adjust the number and price of the RSUs granted in such a manner that the total value of the RSUs granted under the Plan remain the same after any such corporate action. Accordingly, if any additional RSUs are issued by the Company to the RSU grantees for making such fair and reasonable adjustment, the aforesaid the ceiling of RSUs shall be deemed to be increased to the extent of such additional RSUs issued.

c) Identification of classes of employees entitled to participate in the Plan

Following classes of employees and Directors (collectively referred to as “Employees”) are eligible being:

(i) an employee as designated by the Company, who is exclusively working in India or outside India; or

(ii) a director of the Company, whether a whole-time director or not, including a non-executive director, who is not a promoter or member of the promoter group but excluding an independent director; and

(iii) an employee as defined in sub-clauses (i) and (ii), of subsidiary company(ies), group company(ies) including associate company(ies), in India or outside India, of the Company, **but does not include**:

a) an employee who is a Promoter or a person belonging to the Promoter Group;

b) a Director who either by himself /herself or through his/her relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

However, the specific coverage of Employees under the Plan has already mentioned in the opening paragraph of this explanatory statement.

d) Requirements of vesting and period of vesting

All the RSUs granted on any date shall vest not earlier than minimum vesting period of **1 (one) year** and not later than the maximum vesting period of **4 (four)** years from the date of grant of RSUs as may be determined by the Committee. The Committee may shorten or otherwise vary the vesting period from time to time within the minimum and maximum period stated above.

RSUs shall vest essentially based on continuation of employment as per requirement of the SBEB Regulations. Besides continuity of employment, RSUs under the proposed Plan shall vest for senior level Employees on the basis of corporate performance; whereas, for other Employees on the basis of business unit performance.

The Committee will prescribe the performance criteria as stated above for different groups of Employees from time to time broadly based on the following areas:

1. Increase of Wallet share in target customers;
2. Employee Retention; and
3. Profitability.

In addition to the aforementioned performance criteria, the Committee shall have the power to determine and provide additional vesting conditions for the vesting of RSUs.

The vesting dates in respect of the RSUs granted under the Plan shall be determined by the Committee and may vary from an employee to employee or any class thereof and / or in respect of the number or percentage of RSUs granted to an employee.

In the event of death or permanent incapacity of an employee, the minimum vesting period shall not be applicable and in such instances, all the unvested RSUs shall vest with effect from date of the death or permanent incapacity.

e) Maximum period within which the RSUs shall be vested:

All the RSUs granted on any date shall vest not later than a maximum of **4 (four)** years from the date of grant of RSUs as may be determined by the Committee.

f) Exercise price or pricing formula:

Exercise Price per RSU shall be the face value of Shares as on date of grant.

g) Exercise period and the process of Exercise:

The Exercise period would commence from the date of vesting and will expire on completion of 5 (five) years from the date of respective vesting or such other shorter period as may be decided by the Committee from time to time.

The vested RSU shall be exercisable by the RSU grantees by a written application to the Company/ Trust expressing his/ her desire to exercise such RSUs in such manner and on such format as may be prescribed by the Committee or Trust from time to time. Exercise of RSUs shall be entertained only after payment of requisite exercise price and satisfaction of applicable taxes by the RSU grantee. The RSUs shall lapse if not exercised within the specified exercise period.

h) Appraisal process for determining the eligibility of employees under the Plan:

The appraisal process for determining the eligibility shall be decided from time to time by the Committee. The broad criteria for appraisal and selection may include parameters like critical role for growth, key technical role and people management role etc.

i) Maximum number of Options to be issued per employee and in aggregate:

The number of RSUs that may be granted per employee and in aggregate for such employee under the Plan, shall not exceed 27,41,438 **[Twenty Seven Lakhs Forty One Thousand Four Thirty Eight]** RSUs."

j) Maximum quantum of benefits to be provided per employee:

There is no contemplation of benefit other than grant of RSUs and any benefit arising out of RSUs shall be subject to ceiling specified in point hereinabove.

k) Route of Plan implementation:

The Plan shall be implemented and administered by the existing Trust of the Company.

l) Source of acquisition of shares under the Plan:

The Plan contemplates use/ acquisition of shares from two sources- (i) up to 10,00,000 (Ten Lakh) Shares from the secondary acquisition through the existing Trust; and (ii) balance up to 31,12,157 (Thirty One Lakh Twelve Thousand One Hundred and Fifty Seven) Shares from the fresh issue by the Company.

m) Amount of loan to be provided for implementation of the Plan(s) by the Company to the Trust, its tenure, utilization, repayment terms, etc:

The Company shall provide necessary financial assistance by grant of loan, provision of guarantee or security in connection with a loan to the Trust, subject to 5% (Five Percentage) of paid up capital and free reserves, being the statutory ceiling for this Plan and any other share-based employee benefits plan(s) implemented or to be implemented in future taken together. The loan amount may be disbursed in one or more tranches.

The loan provided by the Company shall be at arm's length basis as to rate of interest with tenure of such loan based on term of the Plan and shall be repayable to the Company upon realization of proceeds on permitted sale/ transfer of equity shares including realization of exercise price and any other eventual income of the Trust.

The Trust shall utilise the loan amount disbursed from time to time strictly for the acquisition of the Shares to be utilized for the purposes of the Plan.

n) Maximum percentage of secondary acquisition:

The Plan also envisages purchase of Shares not exceeding 0.36% of the paid-up equity share capital as on March 31, 2022 by way of secondary acquisition through the Trust. This is well within the statutory limit as prescribed under the SEBI SBEB Regulations.

o) Accounting and Disclosure Policies:

The Company shall follow the Accounting Standard IND AS 102 on Share based payments and/ or any relevant Accounting Standards as may be prescribed by the competent authorities from time to time, including the disclosure requirements prescribed therein in due compliance with the requirements of Regulation 15 of the SEBI SBEB Regulations. In addition, the Company shall disclose such details as required under the applicable laws including under other applicable provisions of the SEBI SBEB Regulations.

p) **Method of Option valuation:**

The Company shall adopt 'fair value method' for valuation RSUs as prescribed under guidance note or under any relevant accounting standard notified by appropriate authorities from time to time.

q) **Period of Lock-in:**

The shares issued pursuant to exercise of RSUs shall not be subject to any lock-in period restriction except such restrictions as may be prescribed under applicable laws including that under the code of conduct framed, if any, by the Company under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended.

r) **Terms & conditions for buyback, if any, of specified securities/ Options covered granted under the Plan:**

Subject to the provisions of the then prevailing applicable laws, the Committee shall determine the procedure for buy-back of RSUs granted under the Plan if to be undertaken at any time by the Company, and the applicable terms and conditions thereof.

s) **Declaration:**

In case the company opts for expensing of share-based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the RSUs and the impact of this difference on profits and on Earning Per Share ("EPS") of the Company shall also be disclosed in the Directors' report.

Consent of the members is being sought by way of special resolution pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 and as per Regulation 6 of the SEBI SBEB Regulations.

A draft copy of the Plan will be available for inspection by the members in the manner provided in the Notes to this Notice.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in the resolution, except to the extent they may be lawfully granted RSUs under the Plan.

The Board of Directors recommends the Special Resolutions set forth as Item No. 12 to 15 of the notice for approval of the shareholders.

Item no. 16:

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'

The Company intends to implement a new share-based employee benefit plan namely 'KPIT Technologies Limited- Restricted Stock Unit Plan 2022' ("RSU 2022"/ "Plan") for which approval is sought from the members in separate resolutions at Item No. 12, 13, 14 and 15. This proposed Plan shall be administered through Company's existing irrevocable employee welfare trust namely 'KPIT Technologies Limited Employees Welfare Trust' ("Trust"). The proposed Plan contemplates acquisition of equity shares ("Share") of the Company from fresh issue and secondary acquisition.

For facilitating acquisition of the Shares, the amount of loan to be provided by the Company under RSU 2022 and any other share-based employee benefit scheme(s) taken together shall not exceed 5% (Five percentage) of the aggregate of the paid up equity share capital and free reserves of the Company being the statutory ceiling as per the SEBI SBEB Regulations read with relevant provisions of the Companies Act, 2013 and the Companies (Share Capital and Debenture) Rules, 2014. For purchase of Shares from the secondary acquisition, the Trust shall utilise free funds (net of any outstanding liabilities and administrative expenses of the Trust) available with it and only upon exhaustion of such free funds, the Trust may seek loan from the Company. Whereas, for subscription of the fresh issue of Shares, the Trust may seek loan from the Company from time to time.

The loan provided by the Company shall be at arm's length basis as to rate of interest with tenure of such loan based on term of the Plan and shall be repayable to the Company upon realization of proceeds on permitted sale/ transfer of Shares including realization of exercise price and any other eventual income of the Trust.

Necessary details in this regard are provided as under:

a) **The class of employees for whose benefit the Plan is being implemented and money is being provided for acquisition of the Shares:**

Following classes of employees and Directors (collectively referred to as "Employees") are eligible being:

(i) an employee as designated by the Company, who is exclusively working in India or outside India; or

(ii) a director of the Company, whether a whole-time director or not, including a non-executive director, who is not a promoter or member of the promoter group but excluding an independent director; and

(iii) an employee as defined in sub-clauses (i) or (ii), of subsidiary company(ies), group company(ies) including associate company(ies) in India or outside India, of the Company, but does not include:

a) an employee who is a Promoter or a person belonging to the Promoter Group;

b) a Director who either by himself /herself or through his/her relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

However, the specific coverage of Employees under the Plan has already mentioned in the opening paragraph of this explanatory statement.

b) **The particulars of the Trustee or employees in whose favour such Shares are to be registered:**

The Trust being unregistered, it is contemplated that one or more of the designated trustees shall acquire and hold the Shares of the Company in due compliance of the relevant provisions of Companies Rules. The trustees shall transfer the Shares in favour of the eligible employees after realisation of exercise price and applicable taxes.

c) **The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors or key managerial personnel, if any:**

The Trust is in the nature of an irrevocable employee welfare trust with the name 'KPIT Technologies Limited Employees Welfare Trust' ("Trust") having its principal office at Plot No.17, Rajiv Gandhi lnfotech Park, MIDCSEZ, Phase-Ill, Maan, Taluka - Mulshi, Hinjawadi, Pune- 411057, Maharashtra.

Particulars of the Trustees:

S. 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 N-61/62, Bhosale Nagar, Pune - 411007	Service	Indian

The Trustees are neither promoters, directors nor key managerial personnel of the Company nor are they related to the promoters, directors, or key managerial personnel.

d) **Any interest of key managerial personnel, directors or promoters in such Plan or trust and effect thereof:**

Promoters are not eligible to be covered under the Plan. However, key managerial personnel and executive/ whole-time directors may be covered under the Plan in due compliance with relevant Companies Rules read with SBEB Regulations.

e) **The detailed particulars of benefits which will accrue to the employees from the implementation of the Plan:**

The RSUs shall be granted to the eligible employees on grant date. After exercising of the RSUs and payment of exercise price with applicable taxes, the Trust shall transfer corresponding number of Shares to the eligible employees. The eligible employees can then sell the Shares in open market and can reap the benefit.

f) **The details about who would exercise and how the voting rights in respect of the shares to be acquired under the Plan would be exercised:**

The Trustees of the Trust shall not vote in respect of Shares held in the Trust as per extant SEBI SBEB Regulations. In this circumstance, the voting rights can be exercised by an eligible employee only when the Shares are transferred by the Trust to him/her.

None of the directors and / or key managerial personnel of the Company including their relatives are interested or concerned in the Trust/ resolution, except to the extent of their entitlements, if any, under the Plan.

Consent of the members is being sought by way of a special resolution pursuant to the Rule 16 of the Companies (Share Capital and Debenture) Rules, 2014 read with Regulation 3(8) of the SBEB Regulations.

The Board of Directors recommends the Special Resolution set forth as Item No. 16 of the notice for approval of the shareholders.

Item nos. 17 & 18:

To approve amendments in ‘KPIT Technologies Limited-Employee Stock Option Scheme 2019A’- KPIT & Subsidiaries.

The Company had implemented an employee stock option scheme namely “KPIT Technologies Limited-Employee Stock Option Scheme 2019A” **(‘ESOS 2019A’/ ‘Scheme’)** to attract, retain, incentivise and motivate its eligible employees and employees of its subsidiary vide members’ resolution dated July 23, 2019 which was further amended vide special resolution dated June 30, 2020 and the Company had been granting employee stock options **(“Options”)** thereunder from time to time through the Company’s existing irrevocable employee welfare trust namely ‘KPIT Technologies Limited Employees Welfare Trust’ **(“Trust”)**.

The Trust holds 41,27,233 (Forty One Lakh Twenty Seven Thousand Two Hundred and Thirty Three) equity shares **(“Shares”)** of the Company as on March 31, 2022 of face value of ₹ 10/- each fully paid-up which are not earmarked to any share-based employee benefits scheme(s). With a view to effectively utilize the same for the benefit of eligible employees, it is thought expedient to increase the quantum of Options originally reserved under the ESOS 2019A by creating an additional reserve of 3,34,570 (Three Lakh Thirty Four Thousand Five Hundred and Seventy) Options which upon exercise, the afore-stated number of Shares held by the Trust shall be transferred under ESOP 2019A. Thus, ESOS 2019A is proposed to be amended by revising the Options/ Shares reserve as original contemplated from 37,93,923 (Thirty Seven Lakh Ninety Three Thousand Nine Hundred and Twenty Three) to 41,28,493 (Forty One Lakh Twenty Eight Thousand Four Hundred and Ninety Three) Options/ Shares.

Given the nature of proposed amendment, it is not detrimental to the interests of any existing Option grantees. The beneficiaries of this amendment shall be such eligible employees to whom the Company may grant Options under ESOS 2019A.

Features of the ESOS 2019A (except stated above) shall remain the same as last approved vide special resolutions dated July 23, 2019 and June 30, 2020 and are reproduced again in terms of SEBI SBEB Regulations as under:

a. Brief description of the Scheme

The Scheme is being implemented with a view to attract, retain, incentivise and motivate key talents of the Company and its subsidiary company(ies) that would lead to higher corporate growth and shareholders’ value. Options granted shall vest only after satisfaction of vesting conditions. After vesting of options, the eligible employees earn a right, but not obligation, to exercise the vested options within the exercise period and obtain equity shares of the Company from the Trust subject to payment of exercise price and satisfaction of any tax obligation arising thereon.

The Committee shall act as Compensation Committee for the administration of ESOS 2019A. All questions of interpretation of the ESOS 2019A shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in ESOS 2019A.

b. Total number of Options under the Scheme

The Scheme as originally approved contemplated not exceeding 37,93,923 (Thirty Seven Lakhs Ninety Three Thousand Nine Hundred and Twenty Three) options exercisable into same number of equity shares (“Shares”) of the Company of face value of ₹ 10/- each fully paid up, to be transferred by the Trust to the concerned Employee upon exercise.

However, ESOS 2019A is proposed to be amended by revising the Options/ Shares reserve as original contemplated from 37,93,923 (Thirty Seven Lakh Ninety Three Thousand Nine Hundred and Twenty Three) to 41,28,493 (Forty One Lakh Twenty Eight Thousand Four Hundred and Ninety Three) Options/ Shares with an addition of 3,34,570 (Three Lakh Thirty Four Thousand Five Hundred and Seventy) Options.

Further, SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger, sale of division etc., a fair and reasonable adjustment needs to be made to the options granted. In this regard, the Committee shall adjust the number and price of the options granted in such a manner that the total value of the options granted under the ESOS 2019A remain the same after any such corporate action. Accordingly, if any additional options issued to the option grantees for making such fair and reasonable adjustment, the aforesaid ceiling of options/ shares shall be deemed to be increased to the extent of such additional options issued.

c. Identification of classes of employees entitled to participate in the Scheme

All permanent employees and Directors (hereinafter referred to as "Employees") of the Company including that of its subsidiary company(ies) shall be eligible subject to determination or selection by the Committee. Following classes of employees/ Directors are eligible being:

(i) a permanent employee of the Company who has been working in India or outside India;

(ii) a director of the Company, whether a whole-time director or not but excluding an independent director;

(iii) an employee, as defined in sub-clauses (i) or (ii) in this para, of a subsidiary company(ies), whether present or future, in India or out of India, of the Company, if any.

but does not include—

(i) an employee who is a promoter or belongs to the promoter group; and

(ii) a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company. The Company has already taken members' prior approval for grant of options under the Scheme as originally contemplated vide special resolution dated July 23, 2019.

d. Requirements of vesting and period of vesting

All the options granted on any date shall vest not earlier than minimum period of 1 (One) year and not later than a maximum period of 4 (Four) years from the date of grant of options as may be determined by the Committee. The Committee may extend, shorten or otherwise vary the vesting period from time to time subject to these minimum and maximum vesting period.

The vesting dates in respect of the options granted under the ESOS 2019A shall be determined by the Committee and may vary from an employee to employee or any class thereof and / or in respect of the number or percentage of options to be vested.

Options shall vest essentially based on continuation of employment/ service as per requirement of SEBI SBEB Regulations. Apart from that the Committee may prescribe achievement of any performance condition(s) for vesting.

e. Maximum period within which the options shall be vested

All the options granted on any date shall vest not later than a maximum of 4 (Four) years from the date of grant of options as stated above.

f. Exercise price or pricing formula

Exercise price per Option shall be determined by the Committee which shall not be lesser than the face value of the share (₹ 10/-) as on date of Grant of Option. [Prior to amendment proposed in this resolution, this clause was read as "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"]

g. Exercise period and the process of Exercise

The Exercise period would commence from the date of vesting and will expire on completion of 5 (five) years from the date of respective vesting or such other shorter period as may be decided by the Committee from time to time.

The vested option shall be exercisable by the option grantees by a written application to the Company/Trust expressing his/ her desire to exercise such options in such manner and on such format as may be prescribed by the Committee or Trust from time to time. Exercise of options shall be entertained only after payment of requisite exercise price and satisfaction of applicable taxes by the option grantee. The options shall lapse if not exercised within the specified exercise period.

h. Appraisal process for determining the eligibility of employees under the Scheme

The appraisal process for determining the eligibility shall be decided from time to time by the Committee. The broad criteria for appraisal and selection may include parameters like tenure of association with the Company, performance during the previous year(s), contribution towards strategic growth, contribution to team building and succession, cross-functional relationship, corporate governance, etc.

i. Maximum number of Options to be issued per employee and in aggregate

The maximum number of options that may be granted to any specific employee of the Company per employee and in aggregate under the ESOS 2019A shall not exceed 5,00,000 (Five Lakh) options.

j. Maximum quantum of benefits to be provided per employee under the Scheme

The maximum quantum of benefits underlying the options issued to an employee shall be equal to the difference between the option exercise price and the market price of the shares on the exercise date.

k. Route of Scheme implementation

The ESOS 2019A is being implemented and administered through KPIT Technologies Limited Employees Welfare Trust ('Trust').

l. Source of acquisition of shares under the Scheme

The ESOS 2019A contemplates use/transfer from Trust's existing shareholding comprising of equity shares acquired from primary/fresh issue and secondary acquisition.

m. Amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.

This is currently not contemplated under the present ESOS 2019A. In case any loan shall be proposed to be provided to the Trust in future appropriate approvals shall be obtained prior to extending any loan to the Trust as per SEBI SBEB Regulations and other applicable laws.

n. Maximum percentage of secondary acquisition

ESOS 2019A does not contemplate any further acquisition from secondary market.

o. Accounting and Disclosure Policies

The Company shall follow the IND AS 102 on Share based Payments and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein. In case, the existing guidance note, or accounting standards do not prescribe accounting treatment or disclosure requirements, any other Accounting Standard that may be issued by ICAI or any other competent authority shall be adhered to in due compliance with the requirements of Regulation 15 of SEBI SBEB Regulations.

p. Method of option valuation

The Company shall adopt 'fair value method' for valuation of options as prescribed under guidance note or under any accounting standard, as applicable, notified by appropriate authorities from time to time.

q. Period of Lock-in:

The shares issued pursuant to exercise of Options shall not be subject to any lock-in period restriction except such restrictions as may be prescribed under applicable laws including that under the code of conduct framed, if any, by the Company under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended.

r. Terms & conditions for buyback, if any, of specified securities/ Options covered granted under the ESOS 2019A:

Subject to the provisions of the then prevailing applicable laws, the Committee shall determine the procedure for buy-back of Options granted under the ESOS 2019A if to be undertaken at any time by the Company, and the applicable terms and conditions thereof.

s. Declaration

In case, the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Board's Report.

The Board of Directors recommends the Special Resolutions set forth as Item No. 17 & 18 of the notice for approval of the shareholders.

GENERAL INSTRUCTIONS FOR ACCESSING AND PARTICIPATING IN THE AGM THROUGH VIDEO CONFERENCE/ OTHER AUDIO-VISUAL MEANS (VC/ OAVM) FACILITY AND VOTING THROUGH ELECTRONIC MEANS INCLUDING REMOTE E-VOTING

I. PROCEDURE FOR REMOTE E-VOTING

1) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of SEBI circular no. SEBI/ HO/ CFD/ CMD/ CIR/ P/ 2020/ 242 dated December 9, 2020 in relation to e-voting Facility provided by Listed Entities, the shareholders are provided with the facility to cast their vote electronically, through the e-voting services provided by KFin Technologies Limited (Formerly, KFin Technologies Private Limited) (KFintech), on all the resolutions set forth in this Notice.

Instructions for e-voting is provided in Note 9.

2) Pursuant to SEBI circular no. SEBI/ HO/ CFD/ CMD/ CIR/ P/ 2020/ 242 dated December 9, 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled to all the **individual demat account holders,** by way of single login credential, through their demat accounts/ websites of Depositories/ Depository Participants in order to increase the efficiency of the voting process.

3) Remote e-voting period commences on Friday, August 19, 2022 at 1.00 p.m. IST and ends on Tuesday, August 23, 2022 at 5:00 p.m. IST.

4) Voting rights of the shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the **cut-off date, Wednesday, August 17, 2022.**

5) Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process. Shareholders are advised to update their mobile number and e-mail ID with their Depository Participants to access e-voting facility.

6) Non-individual shareholders, who acquires shares of the Company and becomes a shareholder after sending of the Notice, may obtain the login ID and password by sending a request at evoting@kfintech.com or einward.ris@kfintech.com.

However, if they are already registered with KFintech for remote e-voting, then they can use their existing User ID and password for casting the vote.

7) Individual shareholders holding shares of the Company in physical form may obtain the login ID and password by sending a request at evoting@kfintech.com or einward.ris@kfintech.com.

However, if they are already registered with KFintech for remote e-voting, then they can use their existing User ID and password for casting the vote.

8) In case of **Individual Shareholders** holding securities in demat mode and who acquires shares of the Company and becomes a shareholder of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned in item 9.1 below under *"Login method for remote e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode."*

9) The details of the process and manner for remote e-voting and e-AGM are explained herein below:

Step 1: Access to Depositories e-voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access to KFintech e-voting system in case of shareholders holding shares in physical form and non-individual shareholders in demat mode.

Step 3: Access to join virtual meetings (e-AGM) of the Company on KFintech system to participate e-AGM and vote at the AGM.

9.1) Details on Step 1 are mentioned below:

Login method for remote e-voting for Individual shareholders holding securities in demat mode.

Individual Shareholders holding securities in demat mode with NSDL

1. Users already registered for IDeAS facility

(i) Visit URL: https://eservices.nsdl.com

(ii) Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section.

(iii) On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-voting"

(iv) Click on company name or e-voting service provider and you will be re-directed to e-voting service provider website for casting the vote during the remote e-voting period.

2. Users not registered for IDeAS e-Services

(i) To register click on link : https://eservices.nsdl.com

(ii) Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

(iii) Proceed with completing the required fields.

(iv) Follow steps given in point no. 1 above.

3. Users may alternatively vote by directly accessing the e-voting website of NSDL

(i) Open URL: https://www.evoting.nsdl.com/

(ii) Click on the icon "Login" which is available under 'Shareholder/Member' section.

(iii) 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.

(iv) Post successful authentication, you will be requested to select the name of the company and the e-voting Service Provider name, i.e., KFintech.

(v) On successful selection, you will be redirected to KFintech e-voting page for casting your vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL

1. Users who have opted for Easi / Easiest

(i) Visit URL: https://web.cdslindia.com/myeasi/home/login\ or URL: www.cdslindia.com

(ii) Click on New System Myeasi

(iii) Login with your registered user id and password.

(iv) The user will see the e-voting Menu. The Menu will have links of ESP i.e. KFintech e-voting portal.

(v) Click on e-voting service provider name to cast your vote.

2. Users not registered for Easi/Easiest

(i) Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration

(ii) Proceed with completing the required fields.

(iii) Follow the steps given in point no. 1 above.

3. Users may alternatively vote, by directly accessing the e-voting website of CDSL

(i) Visit URL: www.cdslindia.com

(ii) Provide your demat Account Number and PAN No.

(iii) System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.

(iv) After successful authentication, user will be provided links for the respective ESP, i.ee., KFintech where the e- Voting is in progress.

Individual Shareholders login through their demat accounts/ Website of Depository Participant

(i) Shareholders may login using the login credentials of the demat account through their Depository Participants registered with NSDL /CDSL for e-voting facility.

Once logged-in, shareholders will be able to see e-voting option.

(ii) On clicking e-voting option, shareholders will be redirected to NSDL / CDSL Depository site after successful authentication, wherein shareholders can see e-voting feature.

(iii) Click on options available against company name or e-voting service provider – KFintech and shareholders will be redirected to e-voting website of KFintech for casting their vote during the remote e-voting period without any further authentication.

Important note

Shareholders who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at above mentioned websites.

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
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: **1800 1020 990** and **1800 22 44 30**
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at **022-23058738** or **022-23058542-43**

9.2) Details on Step 2 are mentioned below:

Login method for shareholders holding shares in physical form and non-individual shareholders in demat mode

(A) Shareholders whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

i) Launch internet browser by typing the URL: https://evoting.kfintech.com/

ii) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.

iii) After entering these details appropriately, click on "LOGIN".

iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on firs login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v) You need to login again with the new credentials.

vi) On successful login, the system will prompt you to select the "EVEN" for KPIT Technologies Limited and click on "Submit".

vii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii) Shareholders holding multiple folios/ demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix) Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x) You may then cast your vote by selecting an appropriate option and click on "Submit".

xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the Resolution(s).

xii) Corporate/ Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter etc., authorizing its representative to attend the AGM through VC/ OAVM on its behalf and to cast its vote through remote e-voting. Together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id: jbbhave@gmail.com with a copy marked to evoting@kfintech.com.

The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_EVEN No."

(B) Shareholders whose email IDs are not registered with the Company/ Depository Participants(s), and consequently the Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

i) Shareholders who have not registered their email address and in consequence, the Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFintech, by accessing the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx

Shareholders are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, shareholders may write to einward.ris@kfintech.com.

ii) Alternatively, shareholders may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Notice of AGM and the e-voting instructions.

iii) After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

9.3) Details on Step 3 are mentioned below:

Instructions for attending the AGM of the Company through VC/ OAVM and e-voting during the meeting (Insta Poll).

i) Shareholders will be provided with a facility to attend the AGM through VC/ OAVM platform provided by KFintech. Shareholders may access the same at https://emeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company/ KFintech.

After logging in, click on the "Video Conference" tab and select the EVEN of the Company.

Click on the "video symbol" and accept the meeting etiquettes to join the meeting. Please note that the shareholders who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned above.

ii) Facility for joining the AGM through VC/ OAVM will be open 15 minutes before the scheduled time for commencement of AGM and shall be closed 15 minutes after such scheduled time.

iii) Shareholders are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.

iv) Shareholders will be required to grant access to the webcam to enable VC/ OAVM. Further, shareholders 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.

v) Facility to vote through Insta Poll will be made available on the Meeting page (after you log into the Meeting) and will be activated once the Insta Poll is announced at the Meeting. An icon, "Vote", will be available at the bottom left on the Meeting Screen. Once the voting at the Meeting is announced by the Chairman, Members who have not cast their vote using remote e-voting will be able to cast their vote by clicking on this icon.

Shareholders who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC/ OAVM platform. The shareholders may click on the voting icon displayed on the screen to cast their votes.

vi) A shareholder can opt for only single mode of voting i.e., through remote e-voting or e-voting at the AGM.

If a shareholder cast votes by both modes, then voting done through remote e-voting shall prevail and voting at the AGM shall be treated as invalid.

vii) Facility of joining the AGM through VC/ OAVM shall be available for at-least 1,000 shareholders on first come first served basis.

viii) However, the above restriction shall not be applicable to shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel(s), the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Scrutinisers etc.

ix) Institutional Shareholders are encouraged to attend and vote at the AGM through VC/ OAVM.

II. OTHER INSTRUCTIONS

1) Speaker Registration

Shareholders who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit https://emeetings.kfintech.com and login through the user id and password provided in the mail received from Kfintech.

On successful login, select ‘Speaker Registration’ which will be open from Friday, August 19, 2022 at 1.00 p.m. upto Monday, August 22, 2022 at 10.30 a.m.

Shareholders shall be provided a ‘queue number’ before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those shareholders who have registered themselves, depending on the availability of time for the AGM.

2) **Post your Question**

Shareholders who wish to post their questions prior to the meeting can do the same by visiting https://emeetings.kfintech.com.

Please login through the user id and password provided in the mail received from Kfintech.

On successful login, select ‘Post Your Question’ option which will be open from Friday, August 19, 2022 at 1.00 p.m. upto Monday, August 22, 2022 at 10.30 a.m. Please note that, shareholders’ questions will be answered only if the shareholder continue to hold the shares as on **cut-off date i.e. Wednesday, August 17, 2022.**

3) In case of any query and/ or grievance, in respect of voting by electronic means, shareholders may refer to the Help & Frequently Asked Questions (FAQs) and e-voting user manual available at the ‘Download’ section of https://evoting.kfintech.com or may contact to Mr. Raju S.V, Deputy Vice President/ Mr. Mohan Kumar A, Manager of KFin Technologies Limited, Selenium Building, Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032 or Email at einward.ris@kfintech.com or evoting@kfintech.com or call KFintech’s toll free No. 1-800-309-4001 for any further clarifications.

4) 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.

5) Shareholders whose names appear in the Register of Shareholders/ list of Beneficial Owners as on Wednesday, August 17, 2022 , being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice.

In case of Joint 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 cut-off date should treat this Notice for information purposes only.

Once the vote on a Resolution(s) is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

6) In case a person has become a shareholder of the Company after dispatch of AGM Notice but on or before the cut-off date for e-voting, he/ she may obtain the User ID and Password in the manner as mentioned below:

i) If the mobile number of the shareholder is registered against Folio No./ DP ID Client ID, the shareholder may send SMS: MYEPWD <space> E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399

1. Example for NSDL:
MYEPWD <SPACE> IN12345612345678

2. Example for CDSL:
MYEPWD <SPACE> 1402345612345678

3. Example for Physical
MYEPWD <SPACE> XXXX1234567890

ii) If e-mail address or mobile number of the shareholder is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com/ , the shareholder may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii) Shareholders who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.

7) Shareholders are requested to apply for consolidation of folios, in case their holdings are maintained in multiple folios.

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 all shareholder communications and documents like Annual Reports, Notices etc. through electronic mode, in future. In order to facilitate electronic communication with you, we request you to register your e-mail 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** (Formerly KFin Technologies Private Limited) 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 environment. We request your concurrence so as to enable us to e-mail the 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 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 dividend is declared, same will be paid after deducting TDS. 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. Forms are available on website of RTA at https://mfs.kfintech.com/mfs/.

In 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/DOP1/CIR/P/2018/73 dated April 20, 2018 and BSE Limited vide its Circular No. LIST/ COMP/15/2018-19 dated July 5, 2018 mandated that companies through their Registrar and Transfer Agents ("RTA") take special efforts for collecting copies of PAN and bank account details of their security holders holding securities in physical form 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 19, 2022 & April 22, 2022 to its shareholders who are holding shares physically to furnish their PAN, KYC details and Nomination as per directives mentioned in SEBI 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. The necessary forms 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 April 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** (Formerly KFin Technologies Private 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

KPIT

Format for furnishing the PAN and Bank Details:

To,
KFin Technologies Limited
(Formerly known as KFin Technologies Private 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 Pass book 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
Additional & Whole-time Director
(w.e.f. December 22, 2021)

Chinmay Pandit
Additional & 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
Additional & Independent Director
(w.e.f. September 15, 2021)

Prof. Rajiv Lal
Additional & Independent Director
(w.e.f. November 1, 2021)

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,
10^{th} & 13^{th} 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
Priyamvada Hardikar	-	Chief Financial Officer
Pankaj Sathe	-	President – Europe
Rajesh Janwadkar	-	Executive Vice President-Passenger Cars and Global Practices
Rajeeb Nath	-	Executive Vice President-US
Chinmay Pandit	-	Executive Vice President-US
Pushpahas Joshi	-	Executive Vice President-Connected Solutions & Services

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