

October 26, 2021

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

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

Scrip ID: BSOF
Scrip Code: 532400

Symbol: BSOF
Series: EQ

Kind Attn: The Manager,
Department of Corporate Services

Kind Attn: The Manager,
Listing Department

Subject: - Investor update for Q2 FY 2021-22

Dear Sir / Madam,

Please find enclosed the investor update for Q2 FY 2021-22.

Kindly take this on your record.

Thanking you.

Yours faithfully,

For **Birlasoft Limited**



Sneha Padve
Company Secretary & Compliance Officer

Encl.: - As mentioned above.

Birlasoft Limited

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

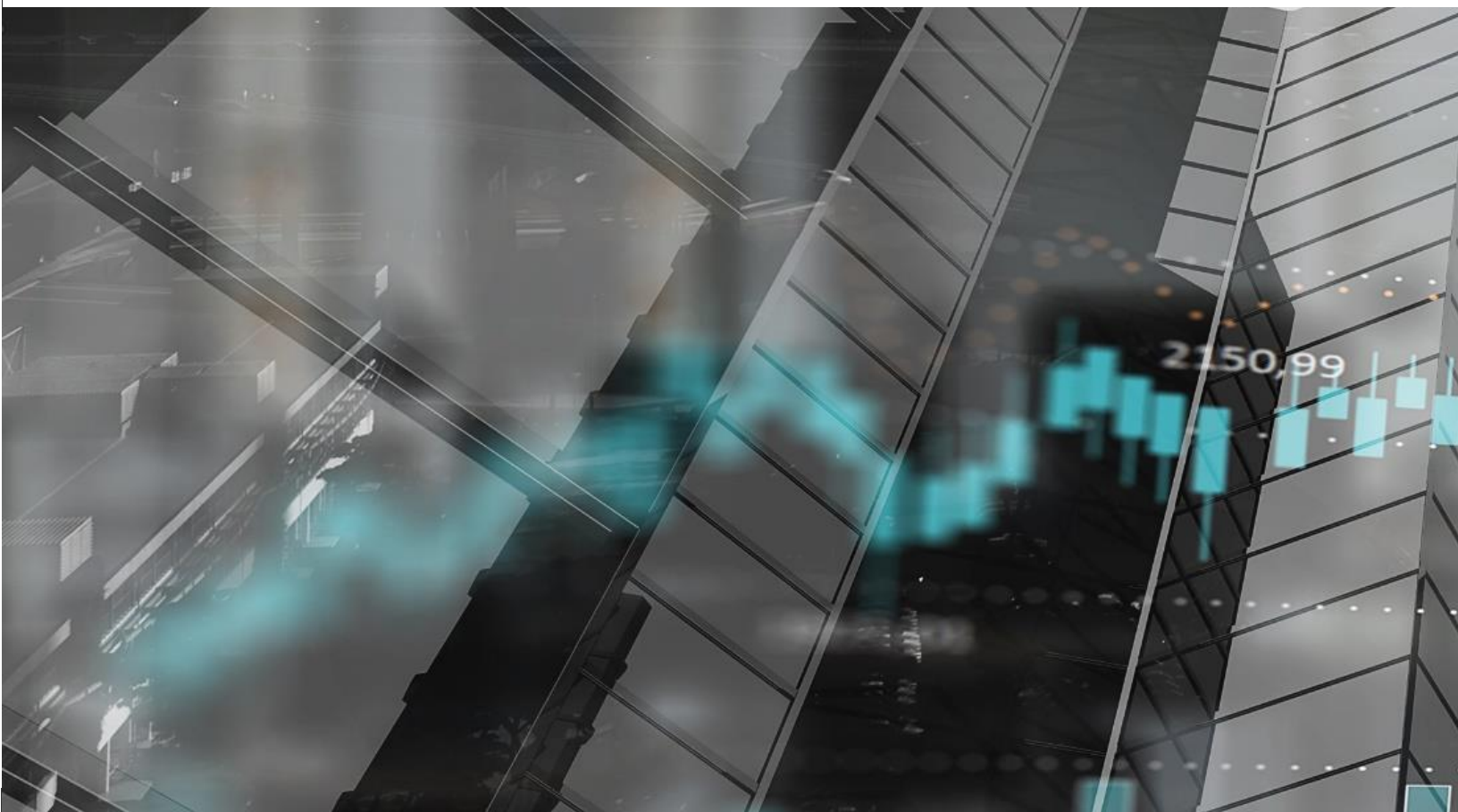
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CIN: L72200PN1990PLC059594



Investor update

Q2 FY 2021-22



Q2 Revenue up 18% YoY, 7% QoQ

PAT at ₹ 1,031 M; up 49.2% YoY.

Pune, Noida (India), October 26, 2021: Birlasoft [BSE: 532400, NSE: BSOFT], a part of the \$ 2.4 billion diversified **CK Birla Group**, reported its unaudited consolidated financial results for the second quarter ended September 30, 2021.

Dharmender Kapoor, Chief Executive Officer and Managing Director, Birlasoft, said, “We are pleased to report a robust performance this quarter with an 18% YoY revenue growth. With a surge in market demand, we are witnessing an increased momentum in our net new deals. Our top customers have grown over 20% YoY, reaffirming our positioning of being their trusted and preferred digital transformation partner. Continued focus and sustained investments in building differentiated cloud and digital capabilities are resulting in significant growth in these areas. This quarter, we have seen a broad-based growth and traction across all our industry verticals and service lines, and we believe this will continue to grow in the ensuing quarters.”

Key Financial Highlights for Q2 FY22

in US \$

- Revenue at \$ 136.9 M, up 18.4% YoY & 6.7% QoQ. Revenue was up 7.2% QoQ in constant currency.
- EBITDA at \$ 20.5 M, up 27.5% YoY and flat QoQ
 - Margin at 15.0%; up 107 bps YoY and down 98 bps QoQ
- PAT at \$ 14 M; up 49.8% YoY

in ₹

- Revenue at ₹ 10,117 Million (M), up 18% YoY and 7% QoQ
- EBITDA at ₹ 1,518 M, up 27% YoY & 0.5% QoQ
- PAT at ₹ 1,031 M up 49.2% YoY and down by 9.2% QoQ
 - PAT margin at 10.2%; up 213 bps YoY

Other Highlights

- Signed deals of TCV \$ 140 M during the quarter
 - New deal TCV wins of \$ 104 M in Q2
- The Board declared an interim dividend of Rs. 1.50/-per share (Face Value Rs 2/-)
- Active Client Count at 280
 - \$ 10 M customer at 12; up by 2 QoQ and by 3 YoY
 - Top 6-10, Top 10 & Top 20 customers grew 51.2%, 21.3% & 23.9% YoY, respectively
- Cash & equivalents at \$ 144.6 M (₹ 10,736 M), up \$ 20.3 M YoY (₹ 1,563 M)
- Q2 FY22 DSO at 54 days, improved by 4 days YoY
- Headcount stood at 12,065 as of September 30, 2021, versus 11,508 in Q1 FY22
 - Added 557 professionals QoQ and 2,055 on a YoY basis

Deal Wins for the Quarter

- Won a multi-million dollar IT managed services and support deal from a European offshore oil and gas major. Birlasoft will also implement an E-invoicing solution using Oracle EBS.
- Selected by a US global solutions provider for their application managed services for overseeing and managing the JD Edwards EnterpriseOne production system. Birlasoft will enable streamlined enhancements for the JD Edwards ecosystem and allow the company to improve processes and prepare for its future growth.
- Selected by a leading US global retail major for data warehousing migration to Azure platform and enhancing User Interface (UI) and User Experience (UX) through SAP Hybris.
- Chosen by a global brand merchandise leader for its application managed services (AMS) and support of INFOR ERP applications.
- Selected by a leading European fertilizer major for optimization of its JD Edwards platform.
- Selected by an Asian farm equipment major for testing of SAP S/4 Hana services, data warehousing solutions, and security services and support.
- Awarded by a leading metal works major for its application managed services and support of INFOR ERP applications.
- Chosen by a leading US Medical Technology Company for JD Edwards implementation and rollout services.

Business Highlights & Recognition

- Birlasoft named a **Top 15 Sourcing Standout** by ISG. Birlasoft was among the leading providers in the Booming 15 category globally, as well as for the Americas region based on Annual Contract Value (ACV) won over the last 12 months, according to the 3Q 2021 Global ISG Index™. This is the **sixth consecutive time** that Birlasoft has been featured across named categories by ISG.
- Birlasoft advances digital transformation for customers with **RISE with SAP**. Birlasoft announced its offering of comprehensive SAP® portfolio services to accompany the RISE with SAP package. Birlasoft services include advisory, implementation, and application management.

- Birlasoft named as a **leader in the SAP S/4HANA System Transformation** – Midmarket - U.S. region by Information Services Group (ISG), a leading global technology research and advisory firm.
- Birlasoft achieves **Service Expertise in JD Edwards applications to Oracle Cloud and Oracle E-Business Suite applications to Oracle Cloud** and also awarded the Cloud Service Provider (CSP) track status. This achievement recognizes Birlasoft for delivering a superior customer experience through successful OCI implementations and services.
- Birlasoft has achieved **Oracle Cloud Infrastructure Service Provider** (CSP) track status. This achievement recognizes Birlasoft's capabilities to deliver Oracle Cloud transformation programs and provide an excellent customer experience.
- Birlasoft announces its **strategic partnership with Freshworks Inc.** The partnership will help global enterprises nurture and supplement their digital transformation programs by delivering enhanced customer experience management services.
- Birlasoft named a **finalist of the 2021 Microsoft Partner of the Year Awards** in the Modernizing Applications category. The company was honored among a global field of top Microsoft partners for demonstrating excellence in innovation and implementation of customer solutions based on Microsoft technology.

About Birlasoft

Enterprise to the Power of Digital™

Birlasoft combines the power of domain, enterprise, and digital technologies to reimagine business processes for customers and their ecosystem. Its consultative and design thinking approach makes societies more productive by helping customers run businesses. As part of the multibillion-dollar diversified [CK Birla Group](#), Birlasoft, with its 12,000+ professionals, is committed to continuing the Group's 159-year heritage of building sustainable communities.

For further information, visit www.Birlasoft.com

Contacts:

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Disclaimer

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

FACT SHEET

Q2 FY 2021-22

**\$ Revenue up
18.4% YoY**

**Interim Dividend
of Rs. 1.50/share**

**Q2 New wins
at TCV \$ 104 M**

Key Metrics

Revenues by

Client Geography	Quarter Ended				
	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22
Americas	77.1%	78.3%	79.0%	80.7%	82.2%
Europe	13.3%	13.0%	12.5%	11.8%	10.5%
Rest of the World	9.6%	8.7%	8.5%	7.5%	7.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by Industry Verticals	Quarter Ended				
	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22
Manufacturing	42.3%	42.1%	42.3%	44.2%	43.4%
BFSI	18.7%	18.7%	18.3%	17.5%	18.1%
Energy & Utilities	15.1%	14.8%	14.8%	14.9%	14.3%
Lifesciences	24.0%	24.4%	24.6%	23.4%	24.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by Service Offerings	Quarter Ended				
	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22
Business & Technology Transformation	33.8%	33.7%	35.5%	37.1%	36.9%
Enterprise Solutions	48.9%	46.2%	44.7%	43.1%	41.0%
Cloud & Base Services	17.3%	20.2%	19.8%	19.8%	22.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenues by Contract Type	Quarter Ended				
	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22
Time & Material	45.8%	42.3%	39.5%	41.6%	43.0%
Fixed Price, Fixed Monthly	54.2%	57.7%	60.5%	58.4%	57.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Revenues Mix	Quarter Ended				
	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22
Onsite	55.7%	55.3%	53.9%	51.4%	50.8%
Offshore	44.3%	44.7%	46.1%	48.6%	49.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Deal Wins - New	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22
Total Contract Value (TCV) - in \$ M	120	56	162	94	104

Currency Mix of Revenue	Quarter Ended				
	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22
USD	77.2%	78.5%	79.6%	81.0%	83.4%
GBP	1.6%	1.5%	2.0%	1.6%	1.4%
EUR	9.0%	8.4%	7.5%	6.9%	5.4%
Others	12.3%	11.6%	10.9%	10.5%	9.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Exchange Rate (₹/US \$)	Quarter Ended				
	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22
Period Average	74.16	73.73	73.23	73.65	73.87
Period End	73.79	74.33	73.11	74.33	74.23

Client Data	Quarter Ended				
	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22
No of Active Clients	310	295	291	291	280
Clients added - QoQ	(46)	(15)	(4)	-	(11)
No of million \$ clients (LTM)					
US\$ 1mn+ Clients	81	81	76	77	76
US\$ 5mn+ Clients	20	21	22	22	20
US\$ 10mn+ Clients	9	9	9	10	12
Client Contribution to Revenue (LTM)					
Top 5	31.9%	32.9%	32.8%	30.5%	29.7%
Top 10	44.1%	45.0%	45.1%	44.4%	45.2%
Top 20	58.5%	59.7%	60.7%	60.4%	61.2%

LTM - last twelve months

Hedge Book	Quarter Ended				
	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22
USD Mn	70.4	73.0	83.0	95.4	96.9
Average rate in ₹	76.0	76.3	76.5	76.0	76.3
GBP Mn	0.9	1.1	1.1	2.2	1.8
Average rate in ₹	98.3	99.9	101.5	104.8	106.1
Euro Mn	5.0	5.8	7.8	10.7	8.7
Average rate in ₹	87.3	89.0	91.4	92.0	92.6

DSO	Quarter Ended				
	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22
Days Sales Outstanding - Billed	58	57	56	54	54

Headcount Metrics	Quarter Ended				
	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22
Total Headcount	10,010	10,399	11,051	11,508	12,065
Technical	8,992	9,416	9,994	10,445	10,945
Sales & Support	1,018	983	1,057	1,063	1,120
Women Employees	2,215	2,331	2,466	2,556	2,749
Attrition (LTM)	11.4%	10.9%	11.6%	16.5%	24.2%
Utilization	83.7%	85.6%	82.8%	85.0%	85.8%

Consolidated Income Statement for quarter ended September 30, 2021

Particulars	In \$ M			QoQ	YoY
	30-Sep-20	30-Jun-21	30-Sep-21		
Quarter Ended	Unaudited	Unaudited	Unaudited		
Revenue from operations	115.6	128.4	136.9	6.7%	18.4%
Expenses					
Employee benefits expense	70.5	75.5	78.0		
Other expenses	29.0	32.3	38.4		
EBITDA	16.1	20.5	20.5	0.2%	27.5%
<i>EBITDA Margin %</i>	<i>13.9%</i>	<i>16.0%</i>	<i>15.0%</i>	<i>-98 bps</i>	<i>107 bps</i>
Depreciation & amortization	2.8	2.5	2.6		
EBIT	13.3	18.0	17.9	-0.5%	34.8%
<i>EBIT Margin %</i>	<i>11.5%</i>	<i>14.0%</i>	<i>13.1%</i>	<i>-94 bps</i>	<i>158 bps</i>
Other income (net)	0.9	2.9	1.3		
Finance costs	0.5	0.4	0.5		
Exceptional items	-	-	(0.0)		
Profit before tax (PBT)	13.7	20.5	18.7	-8.9%	36.6%
Provisions for Tax	4.4	5.1	4.7		
Profit after Tax	9.3	15.4	14.0	-9.5%	49.8%
<i>PAT Margin %</i>	<i>8.1%</i>	<i>12.0%</i>	<i>10.2%</i>	<i>-183 bps</i>	<i>213 bps</i>

Particulars	In ₹ M			QoQ	YoY
	30-Sep-20	30-Jun-21	30-Sep-21		
Quarter Ended	Unaudited	Unaudited	Unaudited		
Revenue from operations	8,575	9,453	10,117	7.0%	18.0%
Expenses					
Employee benefits expense	5,231	5,560	5,764		
Other expenses	2,149	2,383	2,835		
EBITDA	1,195	1,511	1,518	0.5%	27.0%
<i>EBITDA Margin %</i>	<i>13.9%</i>	<i>16.0%</i>	<i>15.0%</i>	<i>-98 bps</i>	<i>107 bps</i>
Depreciation & amortization	208	184	194		
EBIT	986	1,326	1,324	-0.1%	34.2%
<i>EBIT Margin %</i>	<i>11.5%</i>	<i>14.0%</i>	<i>13.1%</i>	<i>-94 bps</i>	<i>158 bps</i>
Other income (net)	64	215	94		
Finance costs	35	28	34		
Exceptional items	-	-	(1)		
Profit before tax (PBT)	1,016	1,512	1,382	-8.6%	36.0%
Provisions for Tax	325	376	351		
Profit after Tax	691	1,136	1,031	-9.2%	49.2%
<i>PAT Margin %</i>	<i>8.1%</i>	<i>12.0%</i>	<i>10.2%</i>	<i>-183 bps</i>	<i>213 bps</i>

Consolidated Balance Sheet Statement

Particulars as at	\$ M			₹ M		
	31-Mar-21 (Audited)	30-Jun-21 (Unaudited)	30-Sep-21 (Unaudited)	31-Mar-21 (Audited)	30-Jun-21 (Unaudited)	30-Sep-21 (Unaudited)
ASSETS						
Non-current assets						
Property, plant and equipment	17.6	17.2	18.3	1,287	1,275	1,360
Right-of-use assets	16.1	14.8	13.7	1,179	1,100	1,016
Goodwill	61.2	61.3	61.0	4,476	4,553	4,525
Other intangible assets	1.4	1.3	1.2	105	94	90
Financial assets						
Investments	-	4.0	4.0	-	300	300
Other financial assets	4.8	7.1	2.1	353	526	153
Income tax assets (net)	5.8	4.7	6.0	422	347	449
Deferred tax assets (net)	12.1	12.4	11.9	882	919	886
Other non-current assets	2.6	2.1	4.5	187	158	331
Current assets						
Financial assets						
Investments	7.6	20.1	22.6	553	1,496	1,680
Trade receivables	70.9	73.6	81.9	5,182	5,470	6,082
Cash and cash equivalents	63.8	48.8	50.7	4,661	3,630	3,761
Other balances with banks	78.9	76.0	67.1	5,769	5,647	4,980
Unbilled revenue	15.5	19.7	21.2	1,135	1,467	1,577
Other financial assets	8.6	6.2	5.6	627	458	416
Other current assets	42.8	48.7	49.5	3,125	3,616	3,671
TOTAL ASSETS	409.6	417.9	421.4	29,944	31,057	31,277

Particulars as at	\$ M			₹ M		
	31-Mar-21 (Audited)	30-Jun-21 (Unaudited)	30-Sep-21 (Unaudited)	31-Mar-21 (Audited)	30-Jun-21 (Unaudited)	30-Sep-21 (Unaudited)
EQUITY AND LIABILITIES						
Equity share capital	7.6	7.5	7.5	555	555	555
Other equity	290.6	303.0	307.8	21,245	22,523	22,850
Liabilities - Non-current						
Financial liabilities						
Lease liabilities	13.7	12.7	11.8	999	940	877
Other non current liabilities						
Provisions	11.0	11.8	11.3	803	875	838
Current liabilities						
Financials Liabilities						
Borrowings	-	-	-	-	-	-
Trade payables	18.0	22.8	21.4	1,318	1,695	1,590
Lease liabilities	3.9	3.6	3.4	282	269	255
Other financial liabilities	28.7	20.2	23.7	2,099	1,498	1,758
Other current liabilities	25.4	24.8	24.8	1,853	1,840	1,838
Provisions	3.2	3.1	3.3	237	233	241
Income tax liabilities (net)	7.6	8.5	6.4	554	629	475
TOTAL EQUITY AND LIABILITIES	409.6	417.9	421.4	29,944	31,057	31,277

Consolidated Cash Flow Statement for Q2 FY22

Particulars	Q2 FY22	
	₹ M	\$ M
Profit before tax	1,382	18.7
Items to reconcile profit before tax to net cash flows	-	-
Add: Non cash Items	-	-
Depreciation of property, plant and equipment & amortization of intangible assets	194	2.6
Share based compensation expenses	(20)	(0.3)
Allowance for doubtful debts-trade receivables (net of recoveries)	-	-
	44	0.6
Unrealized foreign exchange loss/ (gain)	(30)	(0.4)
Interest on lease liabilities	24	0.3
Less: Interest & other items	-	-
Interest income	(93)	(1.3)
Others	(8)	(0.1)
Operational cash profit	1,493	20.1
Movements in working capital	(357)	(4.8)
Cash Generated from Operations	1,137	15.3
Income tax	(592)	(8.0)
Net cash flow (used in)/from investing activities	(262)	(3.5)
Net cash flow (used in) financing activities	(818)	(11.0)
Balance Cash Flow	(536)	(7.2)
Total Increase/(Decrease) in cash balance	(536)	(7.2)
Opening cash balance	9,276	124.8
Foreign exchange fluctuation	-	0.2
Total Cash balance	8,741	117.8

Q2 Earnings Conference Call on October 26 2021 at 7.00 p.m. (IST)

Dial in Information

India 19:00 IST (7.00 pm). Hong Kong / Singapore – 21:30; London 14:30; New York 9:30 am

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Playback End Date: 28 th October 2021	Dial-in Number:	India (+91 22 71945757) India (+91 22 66635757)