

October 23, 2024

**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

Dear Sir / Madam,

**Subject:-** Investor Update – Q2 FY 2025.

Please find enclosed the investor Update – Q2 FY 2025.

Kindly take the same on your records.

Thanking you.

Yours faithfully,

For **KPIT Technologies Limited**

Nida Deshpande  
**Company Secretary & Compliance Officer**

**Encl.:** - as above

# KPIT

*October 23, 2024*

## **Investor Update Q2 FY25**

KPIT Technologies Ltd.



# Forward Looking Statements

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 competitive market for the type of services and solutions that we offer, market conditions that could cause our clients to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry. In certain cases, the numbers reported in this update might be rounded off to the nearest whole number.

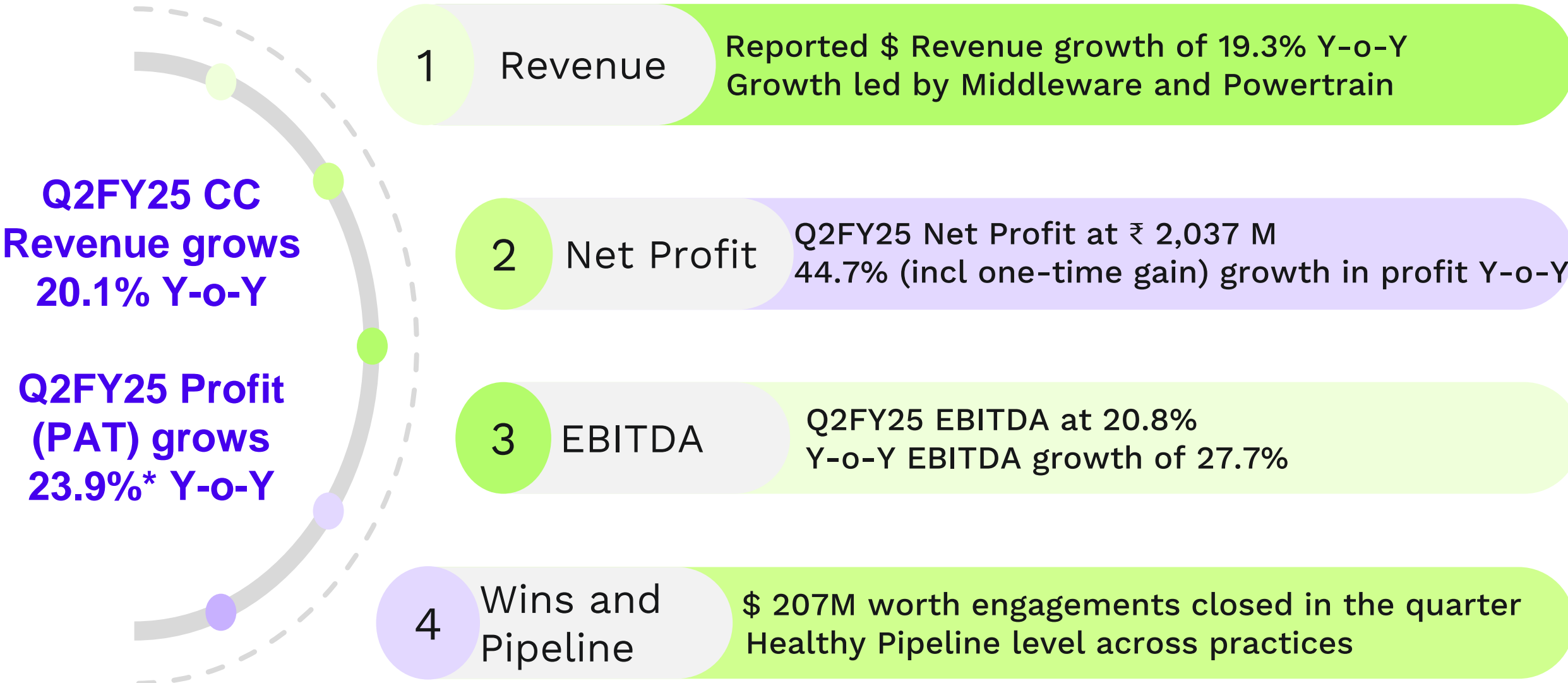
# KPI1

## Performance Overview

Q2FY25

Reimagining Mobility *with YOU*

# Performance Overview



# Performance Highlights

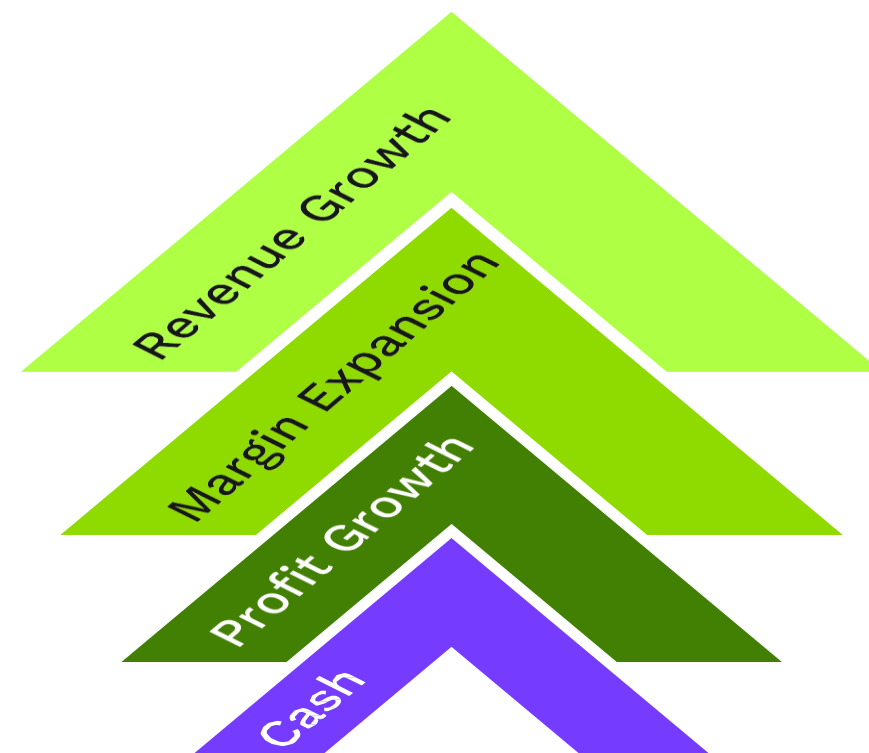
Net Profit Working (₹ million)	Q2FY25	Q2FY24	Q1FY25	Growth (Y-o-Y)	Growth (Q-o-Q)
Reported Profit	2,037	1,409	2,042	44.7%	(0.2)%
One-time Income	450	-	396	-	-
Tax on above item	157	-	69	-	-
Profit excluding one-time impact	1,744	1,409	1,715	23.9%	1.7%

**01** Q-o-Q CC growth of 4.7% and reported \$ growth of 5.0%. Growth led by Asia and Passenger Cars.

**02** EBITDA margins stood at 20.8% despite full quarter impact of wage hikes and one-month additional ESOP cost, mainly due to productivity improvement and fixed cost leverage.

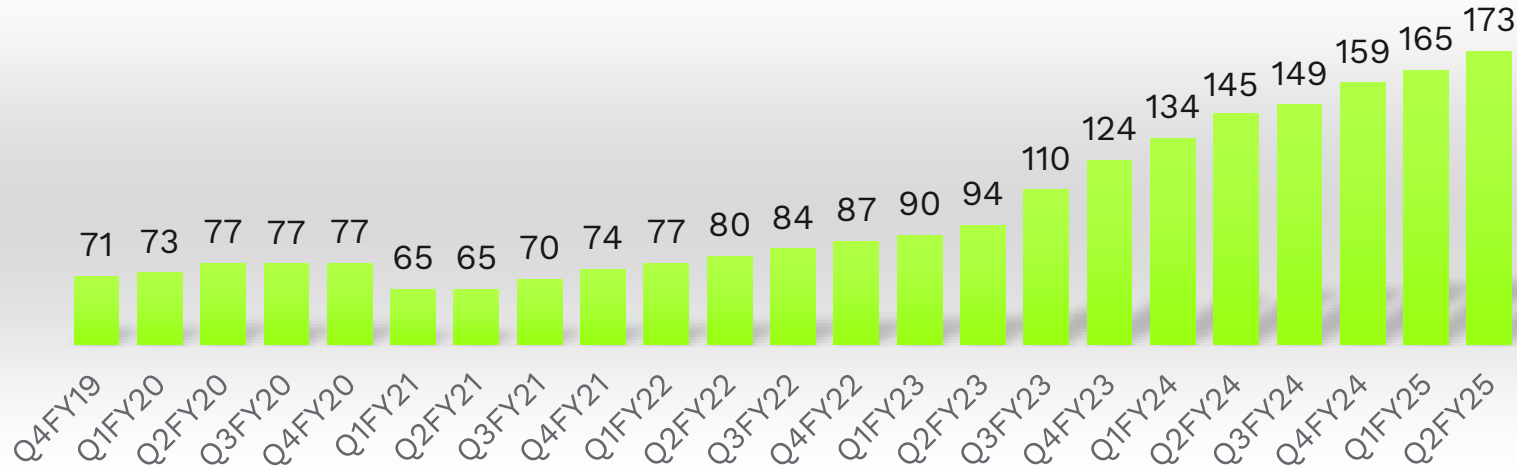
**03** Other income was lower as compared to last quarter due to conversion losses on Euro and Yen denominated assets and liabilities. ETR was in-line with our annual outlook.

**04** Net Cash Balance at the end of the quarter stood at ₹ 9.68 billion, post M&A related payouts and dividend payout. DSO at the end of the quarter stood at 45 Days.



# Additional facts - timeseries

Revenue \$ Million

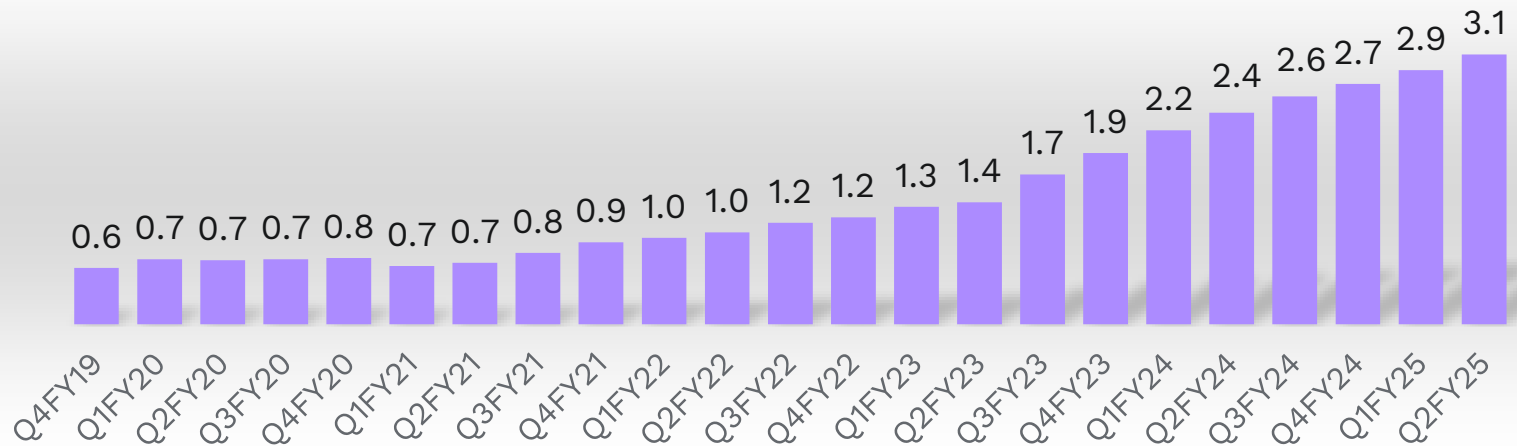


## Consistent Performance



17 Consecutive Quarters of Steady Revenue Growth

EBITDA ₹ Billion



17 Consecutive Quarters of Steady EBITDA Growth

# Management Quotes



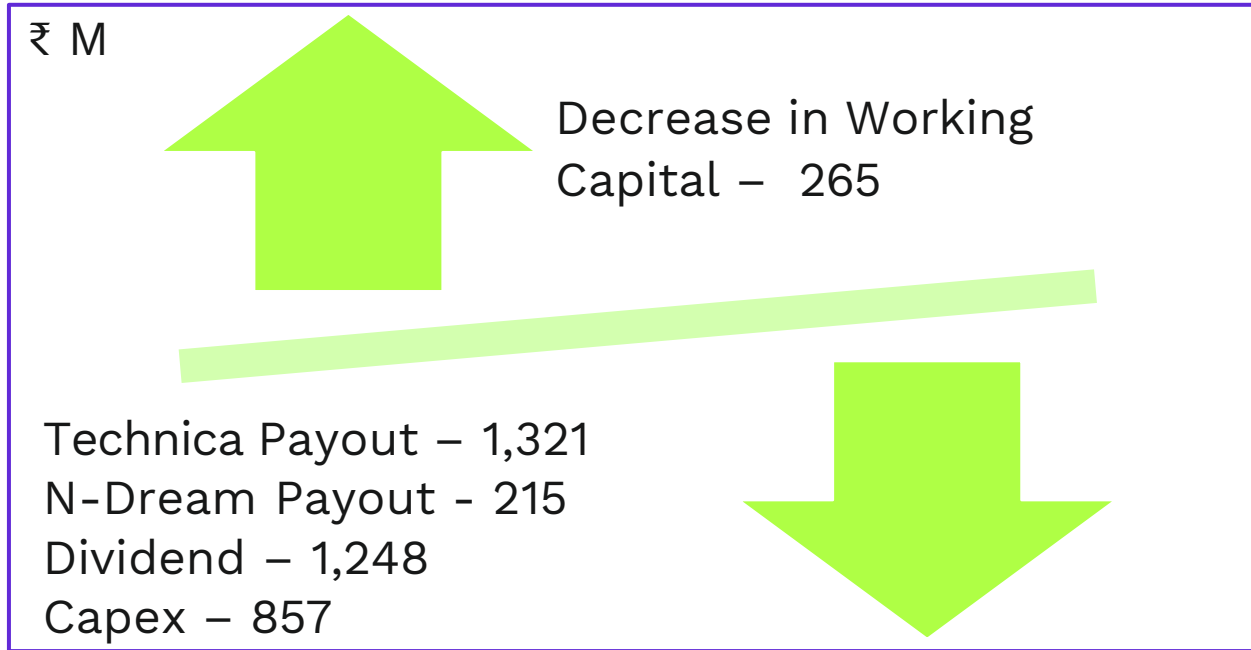
**Kishor Patil, Co-founder, CEO and MD, KPIT said,**” We are happy to have delivered yet another quarter of well-balanced growth. The Mobility Industry, specifically the Automotive sub vertical, has been under pressure to keep up with the changing regulations, reduce cost of vehicles and meet demands of the ever-changing consumer preferences in recent times. We continue to prioritize investments in technology and markets ahead of demand to help our T25 clients stay on the cutting edge of technology and competitiveness, basis which, we reiterate our revenue growth and profitability outlook for the full year. We have taken an enabling board resolution for fund-raising in view of some of the strategic opportunities that are on the horizon. The actual fund raise will happen only when some of these potential prospects are in advanced stages of discussion.”



**Sachin Tikekar, Co-founder and Joint MD, KPIT said,**” In anticipation of changes in the Mobility Industry, we have doubled down our efforts to help our T25 clients reduce the cost of their vehicles and cut the time to market in the areas of software and system integration. Our investments in Trucks and Off-Highway sub-verticals are on track to expand market opportunities for us in the mid-term. The efforts on broad-basing growth within our T25 clients are showing promising results. Overall, we have had robust wins during the quarter. Our attrition remains at the lowest level for us, while we commit to further investments in competency and leadership development. We are reaching all milestones concerning the goals set up towards Sustainability, in line with our Vision of making Mobility cleaner, safer and smarter.”



# Cash Flow – Major Movement



NET CASH (₹ M)	Q2FY25	Q1FY25
Gross Cash	10,085	10,460
Long Term Debt	NIL	NIL
Short Term Debt	401*	447*
NET CASH	9,684	10,013

Cash and Cash Equivalents break-up	₹ M
In Investment Accounts (in India)	2,449
In Investment Accounts (outside India)	2,912
In Operating Accounts	4,724
TOTAL	10,085



DSO Q2FY25 end : 45 Days

\* Debt in the books of Technica

# New Engagements

Strong Wins - TCV of new engagements won during Q2FY25 : \$ 207 million



A Leading European Car Manufacturer selected KPIT for multiple strategic engagements in the autonomous, middleware and diagnostics domains.



Strategic engagements in the electric powertrain and connected domains for a leading American Car Manufacturer.



Crucial engagements in the body electronics, connected and electric powertrain domains with a leading European Car Manufacturer.

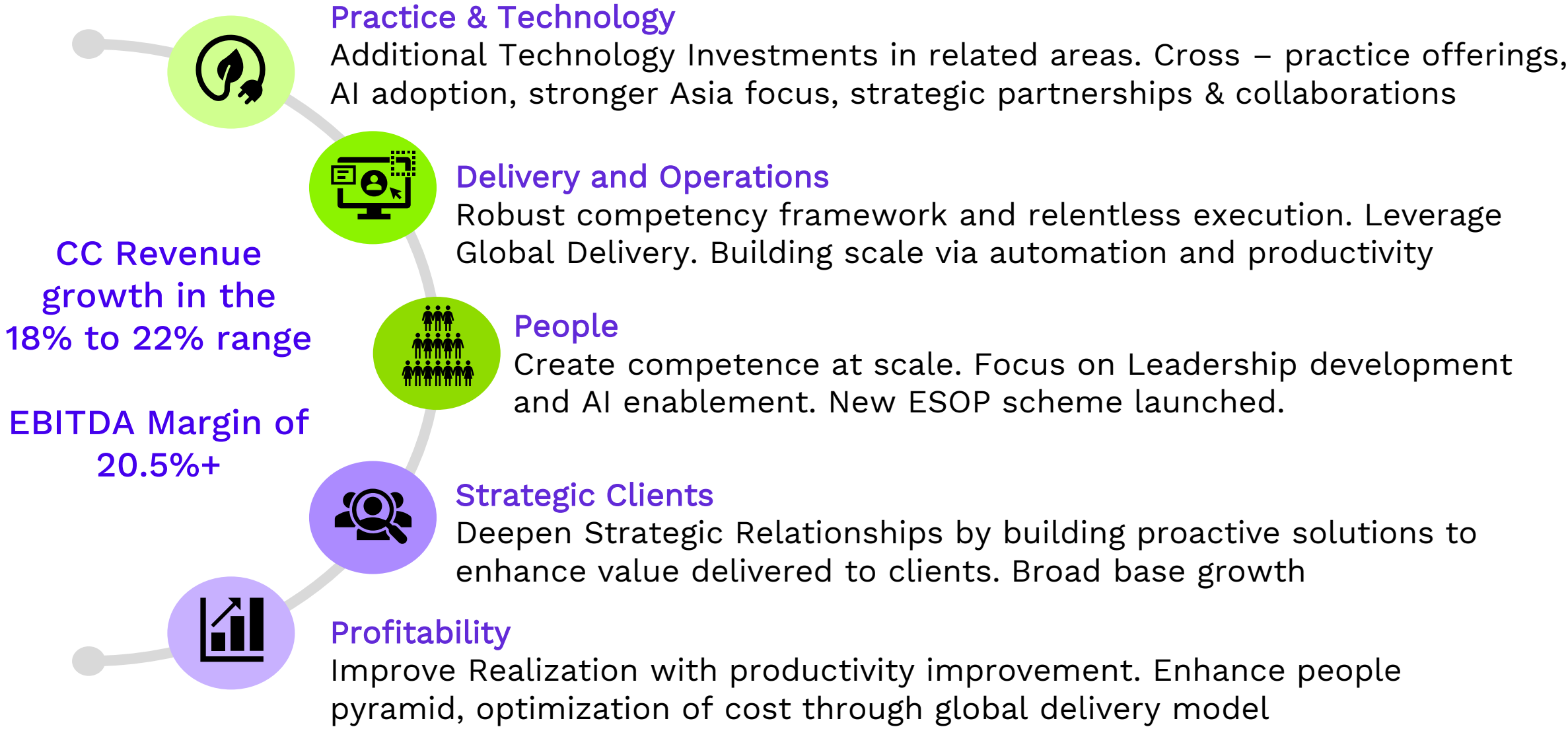


Strategic engagements in the connected, middleware and powertrain domains with a leading American Commercial Vehicle OEM.



Key Engagements in autonomous and powertrain domains for a leading Asian Car Manufacturer.

# FY25 Outlook



# KPIT

## Other Updates

Q2FY25

Reimagining Mobility *with YOU*

## Exhibiting Thought Leadership



### DISCUSSING THE FUTURE OF AUTOMOTIVE WITH BLOOMBERG

In a recent interview with Bloomberg Markets Asia, Kishor Patil discussed the shifting global automotive landscape. He emphasized how European OEMs are focusing on catching up in software-defined vehicles and improving the consumer experience, while Chinese OEMs prioritize cost reduction and global expansion. Patil highlighted how these trends are shaping India's automotive industry, driving advancements in technology adoption, electrification, and cost efficiency.

[WATCH HERE](#)



### DRIVING INNOVATION AT THE COMMERCIAL VEHICLE CONGRESS 2024, USA

KPIT Technologies made a significant impact at the 2024 Commercial Vehicle Congress (COMVEC) in the USA. Our experts shared insights on Software Defined Machines (SDM), AI-driven Powertrain design, Connected Vehicle technology, and Enhancing User Experience. We also launched the "Women in Mobility" initiative, promoting diversity and leadership in collaboration with industry leaders like Cummins, Navistar, and Torc Robotics.

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### DISCUSSING GROWTH THROUGH TECHNOLOGY AND INNOVATION WITH TECHCIRCLE

In an interview with TechCircle, Mr. Anup Sable, CTO shared insights on key industry trends, including the shift to electric vehicles, software-defined vehicles (SDVs), and advanced digital interfaces, noting that KPIT's early investments positioned it as a leader in these areas. Discussed quantum technology's future applications and KPIT's strategic approach to growth through acquisitions, partnerships, and investments.

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## LEVERAGING AI AND ER&D TO LEAD THE MOBILITY REVOLUTION

In a recent conversation with CXO News and APAC News Network, Mr. Kishor Patil highlighted KPIT's remarkable journey from IT services to becoming a global leader in automotive engineering and mobility software. Patil discussed KPIT's role in driving the future of mobility through AI, autonomous driving, and green technology, with a focus on transforming vehicle architectures from chip to cloud. With key strategic partnerships and groundbreaking technologies like sodium-ion batteries, KPIT continues to play a pivotal role in advancing India's leadership in sustainable mobility and electrification.

[KNOW MORE](#)



## KPIT AND MICROSOFT REVOLUTIONIZE AUTOMOTIVE REPAIR WITH AI-POWERED COPILOT

KPIT has joined forces with Microsoft to introduce an innovative AI-driven automotive repair and maintenance solution, Trace2Fix. As highlighted in Microsoft's recent mobility blog, this cutting-edge copilot addresses key industry challenges such as prolonged repair times, low first-time fix rates, and customer dissatisfaction. By leveraging AI to streamline diagnostics and repairs, Trace2Fix enhances technician efficiency, leading to faster, more accurate vehicle issue resolution. This collaboration underscores KPIT's commitment to driving the future of mobility through advanced technological solutions.

[READ MORE](#)



## NAVIGATING THE FUTURE OF TECHNOLOGY AT THE REGIONAL INDUSTRY SUMMIT 2024

At the Regional Industry Summit 2024 hosted by Indo-German Chamber of Commerce, Indo-French Chamber of Commerce & Industry (IFCCI), and Data Security Council of India, Mr. Anup Sable, CTO and Executive Board Member of KPIT, shared valuable insights on the future of AI, Quantum computing, and India's expanding influence in the global tech ecosystem. He explored how AI is revolutionizing industries through rapid innovation and hyper-personalized experiences, while Quantum computing offers unique problem-solving capabilities. He also highlighted India's leadership in digitization, electronics development, and pioneering research in materials science and hydrogen technology, positioning the country at the forefront of future tech advancements.

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**KPIT** | **STEM  
DIALOGUES**

## **CONVERSATION WITH DR. MARTIN GREEN ON SOLAR ENERGY INNOVATION**

In the latest episode of KPIT STEM Dialogues, Dr. Martin Green, a pioneering figure in solar technology, shared his insights on the challenges he overcame and his groundbreaking contributions to the field. As the mind behind the technology that powers 90% of the world's solar panels, Dr. Green's journey exemplifies innovation and dedication to sustainable energy solutions. This episode highlights the significant impact of his work on the future of renewable energy.

**WATCH THE VIDEO**



**KPIT** | **STEM  
DIALOGUES**

## **MARCONI AWARD WINNER DR. HARI BALAKRISHNAN SHARES HIS WISDOM ON [WIRELESS INNOVATION**

In a recent episode of KPIT STEM Dialogues, we had the pleasure of hosting Dr. Hari Balakrishnan, a renowned computer scientist and Marconi Award recipient. He shared insights into his inspiring journey, from his early fascination with mathematics and physics to his pioneering contributions in wireless networks and internet traffic management. Dr. Balakrishnan's expertise sheds light on the profound impact of technology on society and the importance of curiosity and collaboration in driving innovation.

**WATCH THE VIDEO**



## KPIT AND SIIT: SHAPING THE FUTURE OF AUTOMOTIVE EDUCATION IN THAILAND

KPIT has partnered with Sirindhorn International Institute of Technology (SIIT) to elevate automotive education in Thailand. This collaboration includes expert-led sessions and internships designed to equip SIIT students with cutting-edge knowledge and practical experience in the rapidly evolving automotive industry. By nurturing young talent and expanding its global reach, KPIT strengthens its leadership in automotive innovation while empowering the next generation of engineers to excel in a dynamic field.

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## CELEBRATING CONTINUOUS LEARNING WITH KPIT ACADEMY

July was a significant month at KPIT as we celebrated our dedicated KPITians who completed various certification programs. The KPIT Academy Ceremony recognized their commitment to continuous learning, which drives our culture of innovation. With esteemed leaders in attendance, this event highlighted how our team's efforts are setting new benchmarks and propelling KPIT toward collective success.

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# Earning Accolades & Recognition



**FE CFO Awards**  
 Priya Hardikar, Chief Financial Officer, KPIT Technologies Limited receives the award from Shri Ashwini Vaishnaw, Hon'ble Union Minister of Railways, Information and Broadcasting & Electronics and Information Technology and George Varma, Group CEO of Indian Express Group.  
 September 13, 2024, Mumbai



## HONORED WITH THE CFO OF THE YEAR AWARD

Ms. Priya Hardikar, our Chief Financial Officer, received the esteemed CFO of the Year Award in the Medium Enterprises Segment (Services category) from Financial Express. Presented by Hon'ble Union Minister Mr. Ashwini Vaishnaw in Mumbai, this recognition underscores the remarkable progress KPIT has made in the Automotive and Mobility sector over the past five years. With a steadfast commitment to innovation, strategic investments, and our Best Place to Grow program, we have achieved 16 consecutive quarters of growth, nearly doubling profitability.



## BEST SUPPLIER AWARD IN CSR FROM CUMMINS



KPIT was honored with the Best Supplier Award in Corporate Social Responsibility (CSR) at the Cummins India Suppliers Conference 2024. This prestigious accolade celebrated over two decades of partnership with Cummins, highlighting a mutual commitment to creating a positive social impact. Through initiatives such as the "Chhote Scientist" program, e-waste recycling, tree plantation, and river cleaning, KPIT demonstrated exceptional dedication to driving meaningful change in communities. The partnership continues to advance the shared vision of a cleaner, smarter, and safer world.

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## Panasonic ITS

### RECOGNIZED AS EXCELLENT PARTNER BY PANASONIC ITS

KPIT was honored with the Excellent Partner Award for 2023-24 by Panasonic ITS, celebrating our eight-year collaboration in the infotainment, telematics, and charging sectors. This esteemed recognition reflected our shared commitment to innovation and excellence as we worked together to advance key production programs for OEMs worldwide. This accolade not only acknowledged our significant achievements but also inspired us to continue transforming the future of mobility alongside Panasonic ITS.

[KNOW MORE](#)



### KPIT WINS BRONZE AT ET SHARK AWARDS FOR EMPLOYER BRANDING



KPIT's social media campaign, "Best Place to Grow," received the Bronze Award at The Economic Times ET Brand Equity Shark Awards for 'Strengthening Employer Brand to Win War for Talent' in the B2B Campaign category. This recognition highlighted the power of genuine storytelling and the vibrant community cultivated within KPIT.



### **KPITIANS IN THAILAND CELEBRATE SUSTAINABILITY MONTH BY PLANTING 300 MANGROVE TREES**

In a commendable initiative to mark Sustainability Month, 64 KPITians in Thailand collaborated to plant 300 mangrove trees. This effort not only contributes significantly to carbon sequestration—approximately 73.8 metric tons of CO<sub>2</sub> over 20 years—but also enhances water quality and provides valuable ecosystem services. This action reflects KPIT's commitment to fostering a greener and healthier future for communities and the environment



### **KPIT MICHIGAN AND INTERNS UNITE FOR RIVERSIDE CLEANUP DRIVE**

The KPIT team in Michigan, along with 2024 interns, participated in a rewarding riverside cleanup drive in collaboration with the Clinton River Watershed Council. Divided into five groups, the teams dedicated two hours to collecting litter and restoring the park's natural beauty. This initiative underscores KPIT's commitment to environmental stewardship and community engagement, as team members embraced nature and made a positive impact in their local area.

# KPIT

## Financial & Operational Data

Snapshot

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# Profit & Loss Account Snapshot

INR MN

DETAILS	Q2FY25	Q1FY25	Q2FY24
Revenue from Operations	14,714.13	13,646.30	11,991.57
Other Income	514.77	543.07	85.94
Total Income	15,228.89	14,189.37	12,077.51
Operating Expenses	11,696.59	10,764.70	9,592.23
EBITDA	3,064.11	2,881.60	2,399.34
Depreciation	560.83	525.14	480.93
EBIT	2,503.28	2,356.46	1,918.41
Finance Costs	101.63	127.31	135.70
Change in FMV of Investments	4.22	1.37	8.72
Profit Before Exceptional Items	2,874.07	2,773.59	1,877.37
Profit/(loss) from equity accounted investee	(42.94)	(6.62)	-
PBT	2,831.13	2,766.97	1,877.37
Tax	793.68	725.37	463.36
PAT	2,037.45	2,041.60	1,414.01
Profit Attributable to owners of Company	2,037.45	2,041.60	1,408.54
Profit Attributable to non-controlling interest	-	-	5.47

*This includes forex loss of INR 46.57 million which is excluded in EBITDA computation*

# Balance Sheet Snapshot

INR MN

ASSETS	Q2FY25	Q1FY25	EQUITY & LIABILITIES	Q2FY25	Q1FY25
<u>NON-CURRENT ASSETS</u>			Equity Share Capital	2,714.92	2,713.54
Property, Plant & Equipment	2,401.93	2,354.23	Other Equity	22,288.78	21,008.53
Right-of-use Assets	3,245.22	3,173.80	Equity attributable to owners	25,003.70	23,722.07
Other Tangible Assets	19.68	3.48	Non-controlling interests	-	-
Goodwill & Other Intangibles	14,300.85	13,659.10	<b>TOTAL EQUITY</b>	<b>25,003.70</b>	<b>23,722.07</b>
Other Non-Current Assets	3,240.64	2,815.08	<u>NON-CURRENT LIABILITIES</u>		
<b>TOTAL NON-CURRENT</b>	<b>23,208.32</b>	<b>22,005.69</b>	Borrowings	NIL	NIL
<u>CURRENT ASSETS</u>			Lease Liabilities	2,373.58	2,305.87
Inventories	985.09	973.29	Other Non-Current Liabilities	1,259.70	1,187.73
Cash and Bank	10,084.52	10,460.05	<b>TOTAL NON-CURRENT</b>	<b>3,633.28</b>	<b>3,493.60</b>
Trade Receivables	6,530.23	6,753.69	<u>CURRENT LIABILITIES</u>		
Other Current Assets	5,047.47	3,908.58	Borrowings	400.80	446.94
<b>TOTAL CURRENT</b>	<b>22,647.31</b>	<b>22,095.61</b>	Trade Payables	2,910.19	3,066.13
<b>TOTAL ASSETS</b>	<b>45,855.63</b>	<b>44,101.30</b>	Lease Liabilities	716.63	683.67
			Others	13,191.03	12,688.89
			<b>TOTAL CURRENT</b>	<b>17,218.65</b>	<b>16,885.63</b>
			<b>TOTAL EQUITY AND LIABILITIES</b>	<b>45,855.63</b>	<b>44,101.30</b>

# Revenue Break-up

USD MN

Verticals*	Q2FY25	Q1FY25	Q2FY24	Q-o-Q	Y-o-Y
Passenger Cars	139.08	132.02	110.07	5.3%	26.4%
Commercial Vehicles	28.65	27.86	29.06	2.8%	(1.4)%

\* The balance revenues come from others, which is not a big area as of now

Business Units#	Q2FY25	Q1FY25	Q2FY24	Q-o-Q	Y-o-Y
Feature Development & Integration	103.35	100.59	89.72	2.7%	15.2%
Architecture & Middleware Consulting	40.60	33.78	29.40	20.2%	38.1%
Cloud Based Connected Services	29.23	30.50	26.08	(4.2)%	12.1%

#Feature Development & Integration - Electrification, AD-ADAS, Body Electronics and VED

Architecture & Middleware Consulting – Middleware, AUTOSAR

Cloud Based Connected Services – Intelligent Cockpit, Digital Connected Solutions and Diagnostics

Geography	Q2FY25	Q1FY25	Q2FY24	Q-o-Q	Y-o-Y
US	47.59	46.47	44.15	2.4%	7.8%
Europe	84.46	84.97	76.37	(0.6)%	10.6%
Asia	41.13	33.42	24.69	23.1%	66.6%

# P&L Metrics

	Q2FY25	Q1FY25	Q2FY24	Q-o-Q	Y-o-Y
<b>Revenue by Contract Type</b>					
Time & Material Basis	43.3%	46.5%	48.6%	(2.2)%	6.3%
Fixed Price Basis	56.7%	53.5%	51.4%	11.3%	31.6%
<b>Clients</b>					
Strategic Client Revenue	85.5%	86.5%	84.0%	3.8%	21.4%
Active Clients (Period End)	60	60	60		
Revenue per Devp. Employee USD	56,558	53,018	51,773		
R&D Expenditure (USD MN)	2.70	3.29	3.31		
EBITDA Margin	20.8%	21.1%	20.0%		
EBIT Margin	17.0%	17.3%	16.0%		
PAT Margin	13.8%	15.0%	11.7%		
Effective Tax Rate	28.0%	26.2%	24.7%		
EPS (Basic)	7.51	7.53	5.20		
EPS (Diluted)	7.45	7.47	5.16		

# Currency wise revenues, Hedging Details

Currency wise revenue	Q2FY25	Q1FY25	Q2FY24
USD	27.8%	28.7%	31.1%
EUR	41.8%	45.5%	44.8%
GBP	6.2%	5.2%	7.1%
JPY	18.7%	15.7%	11.4%
INR	3.6%	3.0%	3.8%
Others	1.9%	1.8%	1.9%

O/s Hedge Details	Q2FY25
<b>Hedge Rates</b>	
USD/INR	84.65
EUR/INR	93.50
GBP/INR	108.70
JPY/INR	0.58
<b>Hedge Amounts(Mn)</b>	
USD/INR	65.35
EUR/INR	50.20
GBP/INR	14.55
JPY/INR	6,488.00



# Headcount Data

Period End Headcount	Q2FY25	Q1FY25	Q2FY24	Q-o-Q	Y-o-Y
Development	12,248	12,186*	11,219	-	-
Enabling & Sales	839	815	752	-	-
Total	13,087	13,001*	11,971	-	-

*\*252 resources were transferred from KPIT to Qorix during the quarter. The Q1FY25 number of employees is reduced by an equivalent number to make both the quarters comparable.*

# KPIT

## Contact Us

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# Conference Call Details

Conference name : KPIT Technologies Q2 FY2025 Post Earnings Conference Call  
Date : Wednesday October 23, 2024  
Time : 1730 Hrs.  
Participants : Mr. Kishor Patil, Co-founder, CEO & MD  
Mr. Sachin Tikekar, President, Joint MD  
Mr. Anup Sable, CTO  
Mrs. Priyamvada Hardikar, CFO  
Mr. Chinmay Pandit, Whole-time Director & Head Americas  
Mr. Sunil Phansalkar, VP CF&G , Head-IR

Dial-in Numbers for all participants

Primary number : +91 22 6280 1116

Local Access : +91 22 7115 8017

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International Numbers : USA - 1 866 746 2133 | UK - 0 808 101 1573

Singapore - 800 101 2045

Hongkong - 800 964 448

## About KPIT Technologies

KPIT (BSE: 542651; NSE: KPITTECH), KPIT is a global technology company with software solutions that will help mobility leapfrog towards autonomous, clean, smart and connected future. With 11,000+ Automobelievers across the globe, specializing in embedded software, AI & Digital solutions, KPIT enables clients accelerate implementation of next generation mobility technologies. With development centers in Europe, USA, Japan, China, Thailand and India – KPIT works with leaders in mobility and is present where the ecosystem is transforming.

**KPIT**

For more information, visit <http://www.kpit.com>

# Contact

For Investor Queries



Email

[Sunil.Phansalkar@kpit.com](mailto:Sunil.Phansalkar@kpit.com)



Desk Phone

+ 91 20 6770 6997



Cell

+ 91 98509 66011



Website

[www.kpit.com](http://www.kpit.com)



Sunil Phansalkar

# Contact

For Media Queries



Email

[Sunil.R@kpit.com](mailto:Sunil.R@kpit.com)



Desk Phone

+ 91 80 6606 6000 (7865)



Cell

+ 91 99001 50180



Website

[www.kpit.com](http://www.kpit.com)



Sunil B R

# KPIT



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