CK BIRLA GROUP

birlasoft

July 12, 2019

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

Scrip ID: BSOFT
Scrip Code: 532400

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: BSOFT
Series: EQ

Kind Attn: The Manager,
Listing Department

Subject: - 28th Annual Report of Birlasoft Limited for FY 2018-19.

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 28th Annual Report of Birlasoft Limited for FY 2018-19 for the 28th Annual General Meeting to be held on Wednesday, August 7, 2019.

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

Thanking you.

Yours faithfully,

For **Birlasoft Limited**
(Formerly KPIT Technologies Limited)

SPadve

BIRLASOFT LIMITED

Sneha Padve
Company Secretary & Compliance Officer

Encl.: - As mentioned above.


birlasoft
ANNUAL REPORT
2018-2019

Board of Directors

Amita Birla
Chairman

Chandrakant Birla
Director

Anant Talaulicar
Independent Director

Alka Bharucha
Independent Director

Ashok Barat
Independent Director

Nandita Gurjar
Independent Director

Prasad Thrikutam
Independent Director

Sachin Tikekar
Nominee Director

Mr. Anjan Lahiri
CEO & MD (upto May 31, 2019)

Dharmander Kapoor
CEO & Managing Director (wef June 1, 2019)

Rajeev Gupta
Chief Financial Officer

Sneha Padve
Company Secretary

Auditors
B S R & Co. LLP
Chartered Accountants
7th & 8th Floor,
Business Plaza,
Westin Hotel Campus,
36/3-B, Koregaon Park Annex,
Mundhwa Road, Pune - 411001

Legal Advisors
AZB & Partners
AZB House,
Peninsula Corporate Park,
Ganpatrao Kadam Marg,
Lower Parel,
Mumbai - 400013

Financial Institutions
State Bank of India
HDFC Bank Limited
The Hongkong & Shanghai Banking Corporation Limited
Citibank N.A.
Axis Bank Limited
BNP Paribas
Deutsche Bank
ICICI Bank Limited
DBS Bank Limited
Kotak Mahindra Bank

Contents

On 15 January 2019, Birlasoft merged with the IT business of KPIT to become a leader in the enterprise digital IT services space.

I am excited to present this annual report for the financial year 2018-2019. This past year has been the most momentous for the company in its history so far, and has redefined its shape, size and destiny. As we enter the post integration phase, I can truly look back on the year with pride and a sense of satisfaction at how much the combined company has achieved in the last three months.

The pre-announced merger of the IT business of KPIT with Birlasoft (India) Ltd became effective during 2018-19, and this has created a unique fusion of digital capabilities and core Enterprise Systems competence. Digital technologies like Cloud, Mobile, IOT, Analytics, Machine Learning, AI, and Automation are now mainstream, and their adoption is at a tipping point. Birlasoft helps transform clients to become modern digital enterprises through its approach of solving business problems with a digital mindset. With the market rapidly embracing digital to grow its business, customers are reaffirming their trust in the Birlasoft brand.

As part of Birlasoft's strategy of being a differentiated enterprise digital IT solutions provider, we formed a new Board with the relevant blend of expertise and experience. Diversity starts in boardrooms, and I am proud to share with you that 38% of Birlasoft board members are women. This is a reflection of the CK Birla Group's philosophy of remaining diverse and inclusive.

Following the merger, our focus has been to revisit the organization design to align the structure, processes and performance management of the company to its strategic intent. Building a culture of performance orientation and accountability is an on-going priority, and I am confident that the initiatives taken up this year will result in increased revenues and profitability. Enhancing leadership capability at different levels is integral to the success of the strategy, and we will expand Birlasoft's development programs by drawing on the established leadership development platforms of the CK Birla Group as well. The inherent resilience and strength that is at the core of Birlasoft's culture, is exemplified by its people.

As an organization Birlasoft remains committed to social responsibility, and our programs around environmental sustainability and women's empowerment provide a genuine impetus to the volunteers who devote time and mindshare to these endeavors. This is in line with the Group's long standing attention to community impact.

I want to thank Anjan Lahiri, the outgoing CEO of Birlasoft, for getting the company to this point of its journey, and for helping foster a culture of transparency, agility and entrepreneurship. Dharmander Kapoor, who took over from Anjan as the CEO on 1st June 2019, is a seasoned industry leader with over 30 years of experience. Over the last year he has led the integration process in addition to the multiple responsibilities he has had as the Chief Operating Officer.

I feel excited about the journey ahead, and am confident that with our unique business and people capabilities, we will continue to build on being a differentiated enterprise digital IT company.

At this important milestone for the company, and on behalf of the Board I would like to express my gratitude to all our shareholders, employees, partners and clients for their continuing trust and confidence. It has been a thrilling year, and we are more than ready to go further on this journey together.

Amita Birla

Chairman

BOARD OF **DIRECTORS**

Amita is Chairman of Birlasoft and the Co Chairman of the CK Birla Group. As Chairman, she leads long term strategy development and implementation in Birlasoft, and with her extensive experience she has successfully been leading companies across other industries. Her personal drive and leadership led to the transformation of Birlasoft from a fledgling startup to the global company that it is today, acknowledged as a differentiated Enterprise Digital IT Solution provider.

Chandra Kant Birla is the Chairman of the CK Birla Group. The Group operates in three industry clusters: technology and automotive, home and building, and healthcare and education. He is a keen philanthropist who is committed to social development in India, the advancement of Science and technology, Art and Culture.

Dharmander Kapoor is the Chief Executive Officer (CEO) & Managing Director of the Company with effect from June 1, 2019. He has 30 years of experience in Leadership, Go-to-market Business Development, Enterprise IT delivery, Consulting/Transformation and Software Poduct Engineering.

Anant Talaulicar holds a B.E. (Mechanical) degree from Mysore University, M.S. degree from the University of Michigan in Ann Arbor and a MBA from Tulane University, USA. He was a member of the Cummins Inc. global leadership team from August 2009 till October 2017, the Chairman and Managing Director of the Cummins Group in India from March 2004 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 Pvt. Ltd., a JV between Cummins Inc. and Tata Motors Ltd.

Alka Bharucha holds B.A. (Hons.), L.L.B. (University of Bombay), L.L.M. (University of London), Solicitor, High Court (Mumbai) and Supreme Court of England and Wales. She is Member of Bar Council of Maharashtra and Goa, Bombay Incorporated Law Society. She is also an Advocate on Record, Supreme Court of India. Ms. Bharucha began her carrier with Mulla & Mulla & Craigie Blunt & Caroe and joined Amarchand & Mangaldas as partner in 1992. In 2008, she co-founded Bharucha & Partners which since inception has been ranked by RSG Consulting, London among the top fifteen firms in India.

Ashok Kumar Barat was the Managing Director and Chief Executive Officer of Forbes & Company Ltd., till June 2016. During his long and distinguished career, he has held leadership positions in various Indian and multinational organizations, both in India and overseas, namely Hindustan Lever Ltd., RPG Group, Pepsi, Electrolux, Telstra and Kraft-Heinz. Mr. Barat is a Fellow Member of the Institute of Chartered Accountants of India and of the Institute of Company Secretaries of India.

Nandita Gurjar is a technologist turned HR professional. Ms. Gurjar's experience in mainstream IT spans software development, general management and consulting. She started her career at Wipro InfoTech in 1992 as a software programmer and handled multiple technical responsibilities, in various functions like software Coding and Testing, Program documentation and quality. She joined Infosys Limited in December 1999 to form the Learning & Development wing and set-up the leadership institute. She won the "Human Capital Business Leader" award from the Singapore Society of Human Resource Management and has also been featured as "25 Most Powerful Professional Women in India" in Business Today magazine.

Prasad Thrikutam is a dynamic and innovative executive with an exemplary record of business success in both large public companies and medium sized founder led private companies. He has 25+ years of experience as C-suite Executive in Consulting and technology service industry. He is currently Founder and CEO for Mol.ai.cule and on the Advisory Board of TrueNorth Managers LLP one of India's largest PE companies.

Sachin Tikekar is appointed on the Board of the Company with effect from June 1, 2019. He is a Co-founder and President of KPIT Technologies Limited. Over the years, he has provided leadership and guidance in many different areas of the Company. Mr. Tikekar holds a Masters' degree in Strategic Management and International Finance from Temple University's Fox School of Business and Management.

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FROM THE CEO

The past year has seen the coming together of two complementary capabilities through the merger of KPIT's IT business with Birlasoft. The new Birlasoft harnesses tremendous strengths in SAP, Oracle, JDE and other related areas of enterprise services with core digital strengths in Custom Application Development and Maintenance, Sales Force, Data and Analytics. With this, we are now uniquely positioned to capture the opportunities in the enterprise digital space.

Customers today want true partners, business solutions and increased business sustainability. Birlasoft has always been known for offering superior value to customers through our consulting-driven business understanding. In our new avatar, we have an even more compelling and complete suite of services, made possible by the coming together of high-end Core Enterprise capabilities and cutting-edge digital technologies, to deliver transformative solutions. Birlasoft was named as Partner of the Year in Customer Experience by SAP for 2019 and one of the Top 20 Oracle AMS providers by Gartner.

Over the past months, we have been steadily refocusing our teams to make them more customer centric. To drive higher performance outcomes and clear accountability, the organization has

Anjan Lahiri
CEO and MD (Outgoing)

been recast into industry focused business units, account managers have been assigned to all accounts as the single point of contact for our customers, and our sales and service teams have the most contemporary tools and training to service the business needs of our customers.

We see immense opportunities in cross-selling to our existing customers and drive measurable business outcomes through a deep convergence of consulting, business process and technology capabilities. We permute and combine the most relevant technologies at the backend to deliver the promised objective, reinforcing our positioning as a valuable long-term partner. This approach has helped us scale several new clients into our top 20 in just a few years. We have also put in place a holistic assessment-driven Leadership Development framework cutting across all the leadership layers and a suite of training programs to enhance digital capabilities.

We feel a sense of pride and satisfaction at what we have achieved and are boldly moving to embrace the future. Adding strength to our technological capabilities is a nimble and engaged team of people and a culture which fosters agility, transparency and entrepreneurial spirit. This reflects not just in our business performance but also in our contribution to society, through our multiple community engagement and development activities. It is this collective spirit which will propel us ahead as we continue to achieve many more milestones.

Dharmander Kapoor
CEO and MD

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Birlasoft Ltd, combines the power of domain, enterprise and digital technologies to reimagine business processes for customers and their ecosystem. As a part of the diversified CK Birla Group, Birlasoft, with its **10,000+** knowledge workers, is also committed to continuing the group's **160-year heritage** in building sustainable communities

157 years of *strong* ***heritage***

Emphasis on ***nation building*** *and* ***community development***

Fast growing $2.3 *billion conglomerate*

Long standing ***successful partnerships***

Focus on ***nurturing*** *and* ***developing talent***

Driven by ***five core values***

CK BIRLA GROUP

The CK Birla Group is a growing **US $2.3 billion** conglomerate that has a history of enduring relationships with renowned global companies.

With over **25,000** employees, **41** manufacturing facilities, **21** service delivery locations and numerous patents and awards, the Group's businesses are present across five continents. The Group operates in three industry clusters: technology & automotive, home & building, and healthcare & education.

Group companies are strengthened by shared guiding principles that include a focus on long-term value, trust-based relationships and philanthropy. Each business is transforming to build on the collective strength and synergies of the Group's size and span.

KEY OFFERINGS

Enterprise Solutions

ORACLE JD EDWARDS

Help customers on the entire solution lifecycle, from planning to implementation and support for Oracle and JD Edwards.

Recognized as a niche player in Gartner 2019 Magic Quadrant for Oracle Cloud Applications Services, Worldwide

Received Distinguished Partner Award in the **'Process Innovation – Complement JDE with SaaS'**

Won **'Oracle Excellence Award 2018'** in the 'SCM Cloud Partner of the Year' category at the Oracle India Partner Forum FY19

SAP SAP S/4HANA

Offers high-end SAP implementation and support services ranging from the core ERP suite of applications to the latest technologies across the full spectrum of SAP applications

Acknowledged with SAP ® **North America Partner Excellence Award** 2019 for Customer Experience

Recognized as a Market Leader for SAP Services, according to ISG

Named **SAP Hybris Americas Service Delivery Partner of the Year**

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infor

15+ years of rich experience in Infor products and solutions

Microsoft

Birlasoft is a Microsoft Gold Certified Partner with competencies in multiple technology areas, including, Microsoft Dynamics Partner for Enterprise Solution implementations, Microsoft Azure Cloud, among others.

Digital Transformation (DT)

Business Intelligence (BI) & Data Analytics	**Manages complete lifecycle of data in an organization encompassing Data Sciences, DATA Warehousing & Integration, Big Data and DATA Lake, MDM, Governance and Visualization. <AI, RPA>**
CRM	**Advisory, Implementation and Support Services and Solutions CRM platforms like Salesforce; Microsoft Dynamics, SAP CRM and Oracle CRM** Recognized as a Rising Star USA in the Salesforce Ecosystem by ISG
SCM	**Consulting and IT Services in the area of Supply-Chain Management;** Won the **Oracle Excellence Award - SCM Cloud Partner of the Year'** at the Oracle India Partner Forum 2018
PLM	**Offers End-to-End PLM product lifecycle management services with EPLM Solutions with partners such as PTC, Oracle etc**
Other Digital Solutions, Frameworks and Services	**Comprises connected products, Intelligent Automation, Cloud Migration and Adoption, Transformation and Blockchain.**

Integrated Outsourcing Solutions

Applications and Infrastructure Outsourcing, Next Generation Applications and Digital Solutions Development, CIO's Portfolio Transformation, Legacy Modernization, IT Services Management and Program Management

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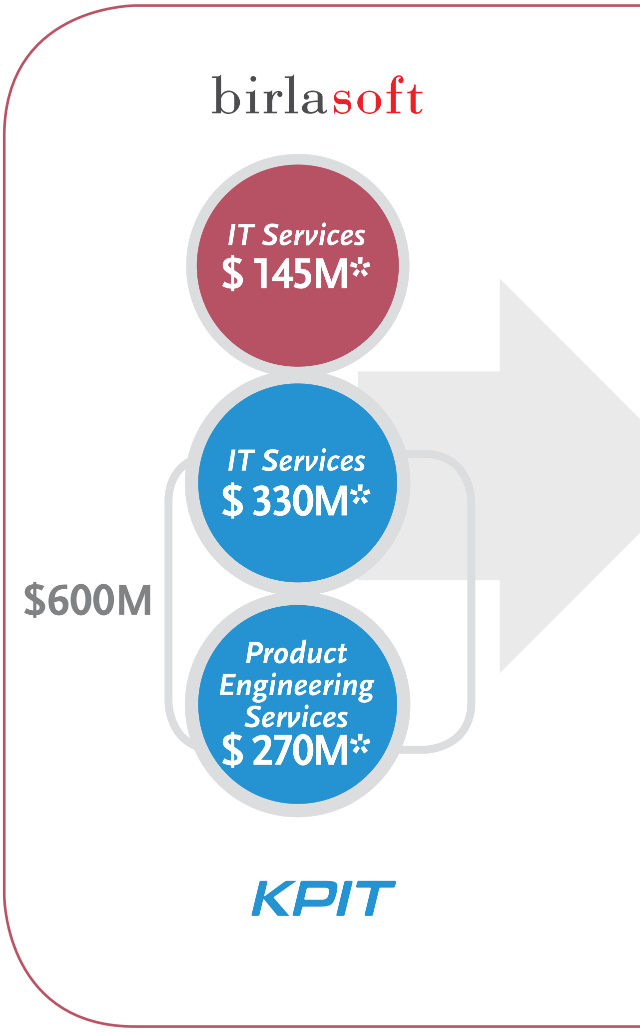
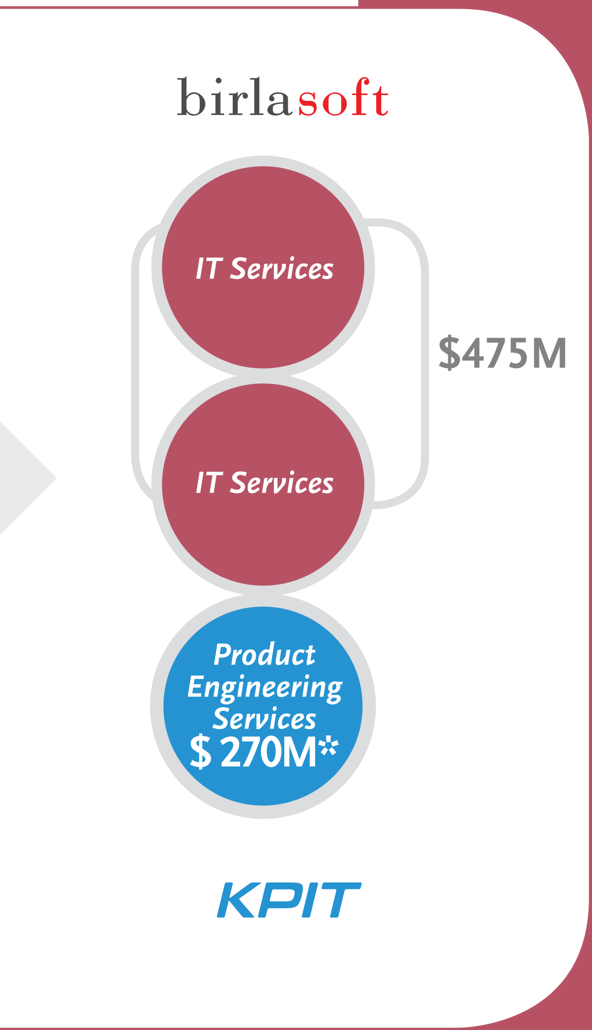
EMERGENCE OF A NEW PLAYER IN THE MID-TIER IT SPACE

January 15 2019 saw the emergence of a new player in the mid-tier IT space. **Birlasoft (India)** Ltd (an unlisted company) merged and amalgamated with **KPIT Technologies Limited** (Merger); and the engineering business of the KPIT Technologies Limited was, on a going concern basis, demerged and transferred to an independent entity.



The name of the combined entity, resulting from the merger and the demerger was changed from KPIT Technologies Ltd (NSE:KPIT) to **Birlasoft Limited (NSE:BSOFT)** on February 8, 2019. The demerged entity i.e. KPIT Engineering Limited was renamed KPIT Technologies Limited on March 13, 2019.

The merger brought together very complementary skill sets from both businesses. Birlasoft (India) Ltd had strengths primarily on the non-ERP Digital businesses like CRM, BI & Data Analytics and Application Development, while KPIT IT Services possessed core strengths on the Enterprise Software Solutions like Oracle, JD Edwards, SAP, Infor etc and capabilities in Digital Transformation services.



New Birlasoft (Merged entity) will have

Unique, industry leading capabilities from the Enterprise Product and Cloud companies: SAP, Oracle, J D Edwards and Salesforce.com.

The company enjoys the highest level of partnership with SAP, Oracle and Salesforce, a position unmatched by any other mid-tier company

The highest percentage of business coming from core enterprise systems vis-à-vis any other comparable competitor

Significant 'Digital' capability in Analytics, RPA (Robotic Process Automation), Digital Portals, User Experience and Digital advisory services

Deep capability and presence in Application Development, Support and Maintenance for Next Generation Services in the digital world

INTEGRATION OF BIRLASOFT

The company has been addressing the integration in a structured way. In a business dependent on the motivation and productivity of its people, we believe that deep cultural integration is the most important driver of business sustainability.

The company has emphasized unified values, marked by trust, enhanced transparency, leadership accessibility and team working.

The planning process for the merger / demerger started in early 2018 with a joint Integration team of more than 35 senior managers staffed with leaders from both organizations, and across all business and support functions. This was divided into 12 workstreams, each working on a specific functional area.

The focus of the teams has been to ensure seamless business continuity, regular communication to employees and external stakeholders, and speedy value unlock driven by synergies on the revenue side.

Globally recognized integration consultants were onboarded to ensure rigor and comprehensiveness in the plans.

The company smoothly transformed the KPIT-IT segment of the business from a technology driven structure to a business-driven approach effective 1st April 2019.

The company strengthened an account-driven approach with the objective to cross-sell service and enhance wallet share. The company has transitioned to a common joint reporting structure with vertical driven P&Ls, and an integrated budget.

THE NEW BIRLASOFT NOW **EMBODIES**

Unique combination of skill-sets

Uniquely poised IT services company, with ~**53%** of the business derived from ERP centric services and ~**30%** from high-growth Digital Services like Cloud, CRM, BI & Data Analytics and Custom Application services

Strong corporate governance

Institutionalized the deep governance commitment of the CK Birla Group, comprising the pillars of ethics, compliance and transparency

Consulting led approach

Partnered customers in creating business-led solutions through a culture of deep customer-centricity and high responsiveness.

Agility

Superior project delivery by working in partnership with customers, and proactive assimilation of cutting-edge technologies

Enhanced scale

With post-merger revenues at mid-tier scale, Birlasoft is poised to acquire larger deals and enter into long-term custom application engagements with top-tier companies

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CASE STUDIES

TRANSFORMATIVE SOLUTIONS FOR OILFIELD SERVICES

Customer overview

A multinational oilfield services company has been engaged with Birlasoft for over 15 years

Challenge

The customer was challenged to reduce costs through transformative solutions, improve the user experience and roll out a global ERP solution at the same time.

Solutions and benefits

Birlasoft facilitated the rollout of global ERP in **100+** countries. The Company implemented global application managed services for **400+** applications leveraging SmartAMS along with multiple IT transformation initiatives resulting in process and efficiency improvements with over $50M in projected and realized savings.

EFFICIENCY SOLUTIONS FOR HOLLYWOOD

Customer overview

Global leaders in the media & entertainment space – studios, networks, broadcasters and streaming services

Challenge

The Customer was grappling with creating and managing Complex agreement and contracts with various stakeholders and were looking for help for streamlining end-to-end process to facilitate contract development and management

Solutions and benefits

Birlasoft provided a solution to streamline the legal and business affairs process end-to-end to facilitate contract development and management.

The Birlasoft TruViewTM Contract Lifecycle Management solution is now used in almost every major Hollywood studio and beyond. This resulted in an average of a four-fold improvement in workflow speed and efficiency and dramatically improved visibility. The negotiation and approval cycles shortened, while global mobility and business process efficiency increased.

IOT ENABLED SUPPLY-CHAIN

Customer overview
A global building materials company

Challenge
The customer was facing a challenge to optimize operational efficiency and improve employee health and safety

Solutions and benefits
Birlasoft provided iSilo Solution developed
Birlasoft provided iSilo Solution developed on an Industrial IoT Platform. This solution was implemented in the Ready Mix Concrete (RMX) plants in Europe. A part of the supply chain was automated with this solution including timely delivery of cement to the RMX plants, automated re-ordering, driver behavior tracking and fleet optimization.

This resulted in the improvement of the stock management and plant utilization, driver behaviour and logistics costs reduction. It also enhanced safety in plant operations and facilitated an automated preventive maintenance of critical equipment, with safety and cement refilling alerts.

LARGEST FINANCIAL TRANSACTION PROGRAM IN EUROPE

Customer overview

The customer was one of the world's largest reinsurers engaged with Birlasoft for 10+ years on all strategic initiatives, focusing on a financial transformation through Smart Automation.

Challenge

The customer was facing a major challenge to achieve faster consolidation of financials across 180 legal entities and consistency in revenue and cost reporting formats.

Solutions and benefits

Birlasoft's complex Micro-Services Architecture was the solution provided to them. This facilitated the real-time Inter-Platform connectivity to complete the largest financial transformation program in Europe using the SAP Simple Finance Platform.

OUR PRIORITIES GOING FORWARD

Stabilizing the integration of two companies across processes, people and systems while laying the foundation for sustainable long-term growth.

Invest in strengthening sales capabilities, and transition from a technology centric to a business and customer centric approach

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Increase cross-sell of the enhanced portfolio of offerings to a combined customer base

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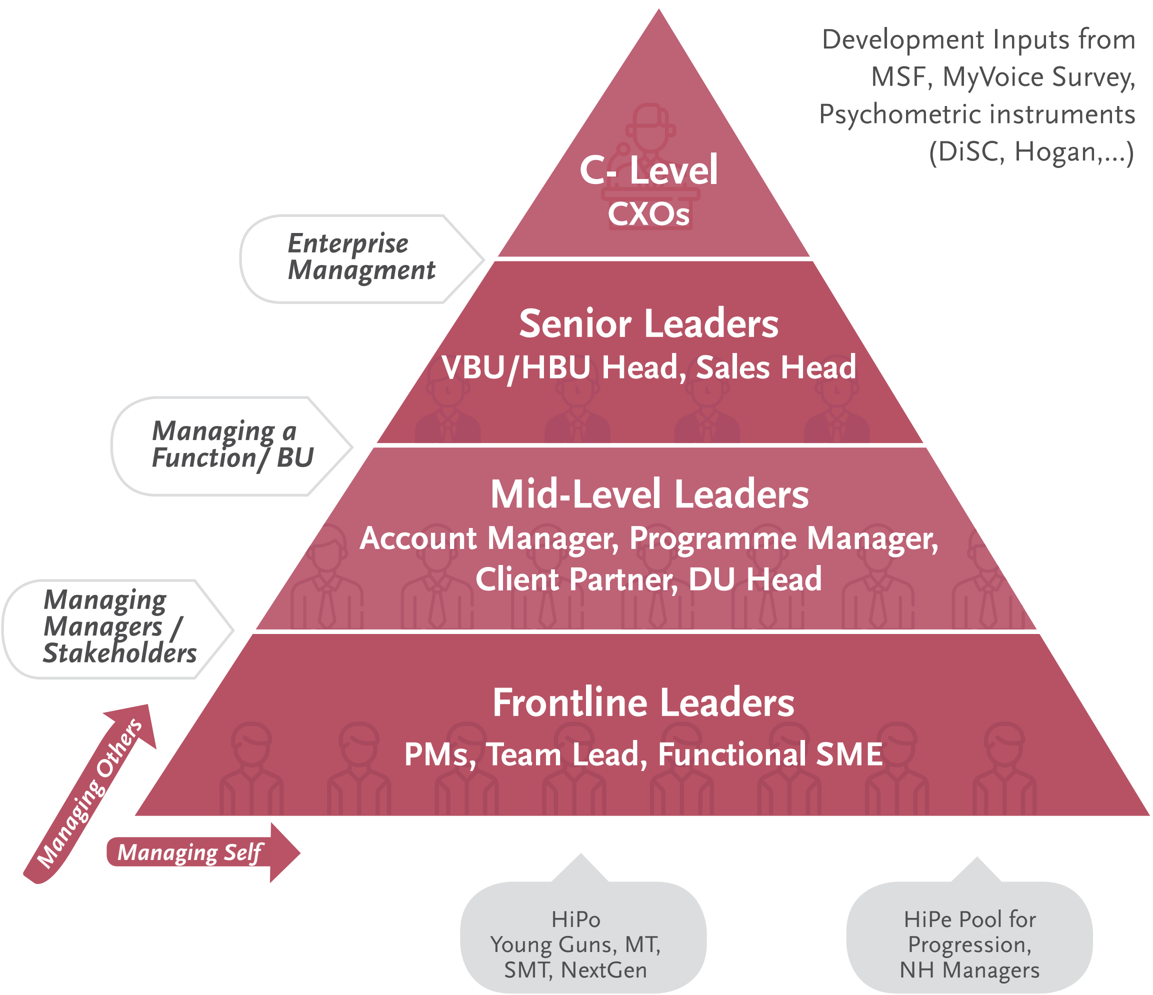
Grow the proportion of revenues from the digital business, and annuity revenues within the ERP business.

Sharpen Birlasoft's focus on capability development of its people through leadership programs and digital learning initiatives and certification programs

Birlasoft Leadership Framework (BLeaF)



Financial Highlights

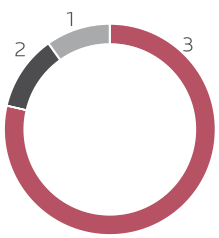
(₹ in mn)

Consolidated Balance Sheet	As at 31-Mar-19
ASSETS	(Audited)
Non-current assets	
– Property, plant and equipment	1,444
– Goodwill	4,219
– Other intangible assets	218
Financial assets	
– Loans	100
– Other financial assets	84
Income tax assets (net)	691
Deferred tax assets (net)	1,433
Other non-current assets	52
Current assets	
Financial assets	
– Investments	1,909
– Trade receivables	7,107
– Cash and cash equivalents	3,617
– Other balances with banks	155
– Loans	48
– Unbilled revenue	970
– Other financial assets	1,938
Other current assets	990
TOTAL ASSETS	**24,976**

(₹ in mn)

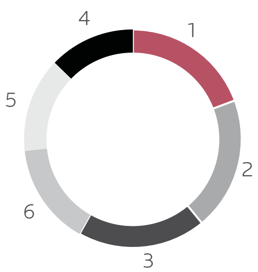
TOTAL EQUITY AND LIABILITIES	
Equity	
Equity share capital	548
Other equity	16,587
Liabilities	
Non-current liabilities	
Financial liabilities	
– Borrowings	-
– Other financial liabilities	-
Other non current liabilities	59
Provisions	637
Deferred tax liabilities (net)	-
Current liabilities	
Financial liabilities	
Borrowings	381
Trade payables	2,148
Other financial liabilities	3,155
Other current liabilities	887.
Provisions	174.
Income tax liabilities (net)	399
TOTAL EQUITY AND LIABILITIES	24,976

Revenue by Client Geography for FY19



1	Rest of the World	9.8%
2	Europe	11.5%
3	Americas	78.6%

Revenue by Industry Verticals for FY19



1	Discrete Manuf, Hitech & Media	19.3%
2	BFSI	19.7%
3	Energy & Utilities	19.1%
4	Automotive	12.7%
5	Lifesciences	14.0%
6	CPG, Retail & Process Manuf	15.0%

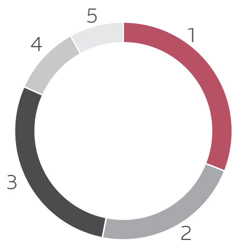
(₹ in mn)

Consolidated Income Statement #	FY 2018-19
Revenue from Operations - US $ mn	474.6
Revenue from Operations	**33,052**
– Employee benefit expenses	19,965
– Other expenses	9,884
EBITDA	**3,204**
Depreciation and amortization expense	640
-Finance costs	118
-Other income (net)	483
-Exceptional items	176
Profit before Tax (PBT)	3,104
Provision for Tax	618
Profit for the period	**2,486**
Reported profit Margin	7.5%
Merger and integration related costs	877
EBITDA for the period (adjusted for the merger costs)	**4,081**
– EBITDA margin % (adjusted)	12.3%
Profit for the period (adjusted for the merger costs)	**3,363**
– PAT margin % (adjusted)	10.2%
EPS - ₹/ Share - adjusted (31 Mar 2019 ended - basic Share count)	12.3

Financials for FY 18-19 are on a Proforma Basis (Combined entity i.e. Birlasoft (India) Ltd + KPIT IT Services' business). Birlasoft (India) Ltd (an unlisted company) merged and amalgamated with the KPIT Technologies Limited (earlier listed as NSE : KPIT); and the engineering business of KPIT Technologies Limited was, on a going concern basis, demerged and transferred to KPIT's Engineering Services Ltd. effective 15th January 2019. (with appointed date as 1st January 2019 as per the NCLT order).

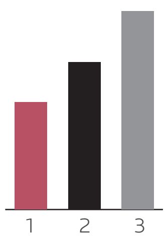
FY 18-19 proforma P&L includes 9 months of KPIT IT Services and 9 months of Birlasoft (India) Ltd's finanicals and 3 months of combined entity's finanicals

Revenue by Service Offerings for FY19



1	Intergrated Enterprise Solutions (IES)	31.0%
2	SAP	22.1%
3	Digital Transformation (DT)	28.6%
4	Custom Application Development	10.3%
5	Other horizontals	8.1%

Client Concentration



1	Top 5	26.4%
2	Top 10	36.2%
3	Top 20	48.8%

Management Discussion and Analysis

Company Overview

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 multi-billion dollar diversified The CK Birla Group, Birlasoft, comprising 10,000 professionals, is committed to continuing its 157-year heritage of building sustainable communities

C K Birla Group Profile

The CK Birla Group is a growing US $2.3 billion conglomerate that has a history of enduring relationships with renowned global companies.

With over 25,000 employees, 41 manufacturing facilities, 21 service delivery locations and numerous patents and awards, the Group's businesses are present across five continents. The Group operates in three industry clusters: technology and automotive, home and building, and healthcare and education.

The CK Birla Group companies are strengthened by shared guiding principles that include a focus on long-term value creation, trust-based relationships and philanthropy. Each business is transforming to build on the collective strength and synergies of the Group's size and span.

Merger and De-merger Update

The Board of Directors of KPIT Technologies Limited, at its meeting held on January 29, 2018, had approved a Composite Scheme of arrangement among Birlasoft (India) Limited, KPIT Technologies Limited and KPIT Engineering Limited and their respective shareholders ("Scheme") for:

(a) amalgamation of Birlasoft (India) Limited (Birlasoft) with KPIT Technologies Limited

(KPIT) (Combined KPIT) (Merger) and

(b) demerger of the engineering business of KPIT into KPIT Engineering Limited (KEL), a wholly-owned subsidiary of KPIT (Demerger).

Pursuant to the Scheme of arrangement, the assets & liabilities relating to the engineering business of KPIT Technologies post-merger of the Birlasoft (India) Ltd with KPIT Technologies, were transferred to KPIT Engineering Ltd, at book value, as standing in the books of the erstwhile KPIT Technologies Ltd as on the opening hours of business on January 1, 2019 (appointed date). KPIT Engineering Ltd was renamed as 'KPIT Technologies Limited' (NSE:KPITTECH) from March 13, 2019. (i.e. the KPIT's engineering services business)

The shares of the erstwhile KPIT Technologies Ltd (NSE:KPIT) traded as ex-Engineering business from 24th January 2019. The name of erstwhile KPIT Technologies Ltd (NSE:KPIT) and its Stock Ticker changed to Birlasoft Limited and NSE: BSOFT respectively, after the change of name with Registrar of Companies effective 8th February 2019.

The shares of erstwhile KPIT Technologies Ltd Engineering Services business got listed on the stock exchanges and began to trade on April 22, 2019 with the Company name and Ticker as KPIT Technologies Limited and NSE: KPITTECH respectively.

Rationale for merger

Birlasoft (India) Ltd had strengths primarily in the non-ERP Digital businesses like CRM, BI & Data Analytics, Application Development while KPIT IT Services had core strengths in Enterprise Software Solutions like Oracle, J D Edwards, SAP, Infor etc and capabilities in Digital Transformation services. The merged entity will have the following distinguishing points:

- The highest percentage of business coming from core enterprise systems vis-à-vis any other comparable competitor
- Unique, industry leading capabilities from the Enterprise Product and Cloud companies: SAP, Oracle, J D Edwards and Salesforce.com.
- The company will have the highest level of partnership with SAP, Oracle as well as with Salesforce, a position unmatched by any other similar company
- The Company possesses significant 'Digital' capability in Analytics, RPA (Robotic Process Automation), Digital Portals, User Experience and Digital advisory services
- The Company possesses significant capability and presence in Application Development, Support and Maintenance for Next Generation Services in the digital world

Integration Update

Effective from January 15, 2019. Birlasoft (India) Ltd and KPIT's IT Services business merged to form a leading publicly listed Enterprise Digital and IT Services company named Birlasoft Ltd. The planning process for the merger / demerger started in early 2018 with a joint integration team of more than 35 senior managers, staffed with leaders from both organizations, and across all business and support functions. During the planning stage, Company also engaged integration consultants, to ensure rigor and comprehensiveness in the plans. The focus of the teams has been to ensure seamless business continuity, regular communication to employees and external stakeholders, and speedy value unlocking driven by synergies on the revenue side. The organization is already in the process of transitioning to a common joint reporting structure with vertical-driven P&Ls, and an integrated budget. All related processes, policies, and systems are being harmonized and consolidated with the majority of integration activities planned for completion by March 2020.

Industry Structure and Development

As per NASSCOM estimates, the global size of the IT industry has been around US$ 1.4 trillion, with a growth rate of 4.9% YoY. The Indian IT/BPM industry's revenue size in FY18-19 was ~US$ 181 billion and employed nearly 4 million people with 170,000 new jobs expected to be added in 2019-20. The industry had ~18,000 firms across IT services, BPM, Products, ER&D and eCommerce. It enjoyed presence in 80+ countries with 760 + ODCs worldwide.

The IT/BPM industry had a strong entrepreneurial culture with ecosystem of 7,200 to 7,700 start-ups and 210+ active incubators/accelerators. The Indian IT industry contributed ~ 7.7% to India's GDP.

Of the US$ 181 billion revenue, exports constituted ~75% and ~25% was from domestic revenues (including hardware). The export revenue of ~US$ 137 billion registered a growth of ~9.2% in FY19, slightly higher than the

NASSCOM guidance for FY19 of 7% to 9%.

NASSOM christened FY19 as 'The Year of Digital Acceleration' wherein the IT/BPM industry was able to fast-forward its journey to be the digital solutions partner across different sectors. Digital was once again the growth driver for the year, growing 30% YoY. Export revenue from the digital segment formed about 20% of the industry's total export revenue.

Businesses across the globe are being disrupted; technology, analytics and automation are enabling an asset-light business model attacking the core of businesses across all verticals. Innovation is now not a choice but a survival issue. With this backdrop the IT/BPM industry is witnessing a second surge that will last at least several years. It is an opportunity for all IT companies, big or small, to bring innovative solutions by leveraging technology that is no longer the domain of mega companies. Companies such as ours have an opportunity to create a new roster of leaders in the IT/BPM industry

The key themes for FY19 included solutions across emerging technologies, especially those that are AI and Automation-based. Re-skilling was a priority for organizations in the industry, to adapt to the digitally transforming operations. The industry now has over 600,000 digitally skilled professionals – the largest source of Digital Talent for the world.

India's highly qualified talent pool of technical graduates is one of the largest in the world, facilitating its emergence as a preferred destination for outsourcing. Computer science / information technology accounts for the biggest chunk of India's fresh engineering talent pool, with more than 98 percent colleges offering learning in this stream.

Business Outlook

As per NASSCOM's CEO Survey, global economic uncertainties are leading to a cautionary outlook among CEOs. However, they expect digitization initiatives to continue with the same momentum, with digitization of businesses and enhanced customer experience emerging as the top two spending areas in IT and BPM segments in 2019. Further, the survey indicated that advanced analytics and AI are the top priority areas for over 50% of global CEOs in terms of technology spending, followed by hybrid cloud and cybersecurity. Almost 90% of the CEO responses indicate that skilling and re-skilling will be an industry wide priority as all businesses and countries are dealing with a global tech skills shortage.

Gartner Inc; the world's leading research and advisory company, in its April 19, IT Spending outlook indicated a 1.1% growth at ~3.8 trillion in CY 2019. It states that shift of enterprise IT spending from traditional (non-cloud) offerings to new, cloud-based alternatives is continuing to drive growth in the enterprise software market. In CY 2019, the market is expected to reach US$ 427 billion, up 7.1 percent from $399 billion in 2018. The largest cloud shift occurred in application software. However, Gartner expects increased growth for the infrastructure software segment in the near-term, particularly in integration platform as a service (iPaaS) and application platform as a service (aPaaS). Gartner forecast the IT Services segment to grow at 3.5% to US$ 1.02 trillion from US$ 982 mn in CY 2018. It expects disruptive emerging technologies, such as artificial intelligence (AI), to reshape the business models as well as the economics of public- and private-sector enterprises globally.

Financial Performance

The appointed date of merger and demerger being 1st January 2019, the full year financial results for FY 18-19 for Birlasoft Ltd are for nine months of KPIT's IT services business and three months of the merged entity. Hence, the Financial Results for FY 18-19 for Birlasoft Ltd are not comparable with the previous year's financials.

The Company's financial highlights, 2018-19

The consolidated Profit and loss account for the year ended 31 March 2019 was as follows:

(amount in ₹ mn)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Revenue from Operations	25,506.67	22,497.96
Employee benefits expense	15,351.93	13,477.35
Other expenses	7,090.78	6,187.67
Total Expenses	22,442.71	19,665.02
Earnings before Interest, tax, depreciation & amortization	3,063.96	2832.94
Depreciation and amortization expense	498.74	401.84
Earnings before Interest & tax	2,565.22	2,431.1
Other Income (Net)	260.57	238.62
Finance costs	108.43	81.33
Exceptional items	175.85	
Profit Before Tax (PBT) from continuing operations	2,893.21	2,588.39
Tax Expense	539.36	676.48
Profit After Tax (PAT)	2,353.85	1,911.91

Finance review

Analysis of the profit and loss statement

- **Revenues:** Revenues from operations reported a 13.4% growth from ₹22,498 mn in 2017-18 to reach ₹25,507 mn in 2018-19. Other income of the Company reported a 9.2% growth. Other income accounted for a 1% share of the Company's revenues, reflecting the Company's dependence on its core business operations. Other income as a proportion of net profit stood at 11% in 2018-19 compared to 12% in 2017-18, reflecting the Company's growing operating profitability.
- **Expenses:** Total expenses of the Company increased by 13% from ₹20,148 mn in 2017-18 to ₹23,050 mn. Employees expenses, accounting for a 60% share of the Company's revenues, increased by 14% from ₹13,477 mn in 2017-18 to ₹15,352 mn in 2018-19, owing to an increase in the yearly revision of remuneration. Other expenses, accounting for a 28% share of the Company's revenues, increased by 15% from ₹6,188 mn in 2017-18 to ₹7,090 mn in 2018-19.

Analysis of the Balance Sheet

Sources of funds

- The capital employed of the Company decreased by 9% from ₹27,329 mn as on 31st March 2018 to ₹24,976 Mn as on 31st March 2019 owing to the demerger of the erstwhile KPIT Technologies Ltd's Engineering business from the appointed date of 1st January 2019.
- The net worth of the Company decreased by 6% from ₹18,205 mn as on 31st March 2018 to ₹17,135 mn as on 31st March 2019, owing to the demerger of the erstwhile KPIT Technologies Ltd's Engineering business from the appointed 1st January 2019 onwards. The Company's equity share capital, comprising 274.15 mn equity shares of ₹2 each, increased from ₹379.02 mn in FY17-18 to ₹548.29 mn in FY18-19 on account of the merger and demerger. In consideration for the merger, erstwhile KPIT Technologies Ltd (KPIT:NSE) issued 22 (twenty-two) equity shares of INR 2/- each for every 9 (nine) equity shares of INR 10/- each, held by the shareholders of Birlasoft (India) Ltd, on January 18, 2019.
- Long-term debt of the Company amounting to ₹662 mn as on 31st March 2018 was nil as of 31st March 2019. The long-term debt was primarily related to the new facilities of Engineering Services business and hence was transferred to the demerged Engineering business of KPIT as a part of the merger and demerger agreement.
- Short-term debt of the erstwhile KPIT amounted to ₹2,109 mn as on 31st March 2018 and the same decreased to ₹381 mn. As of 1st January 2019, Birlasoft Ltd inherited a short-term debt ₹1,781 mn as a part of the merger and demerger arrangement. The Company repaid ₹1,400 mn during Q4 of FY19 and had a short-term debt amounting to ₹381 mn as of 31st March 2019.

Applications of funds

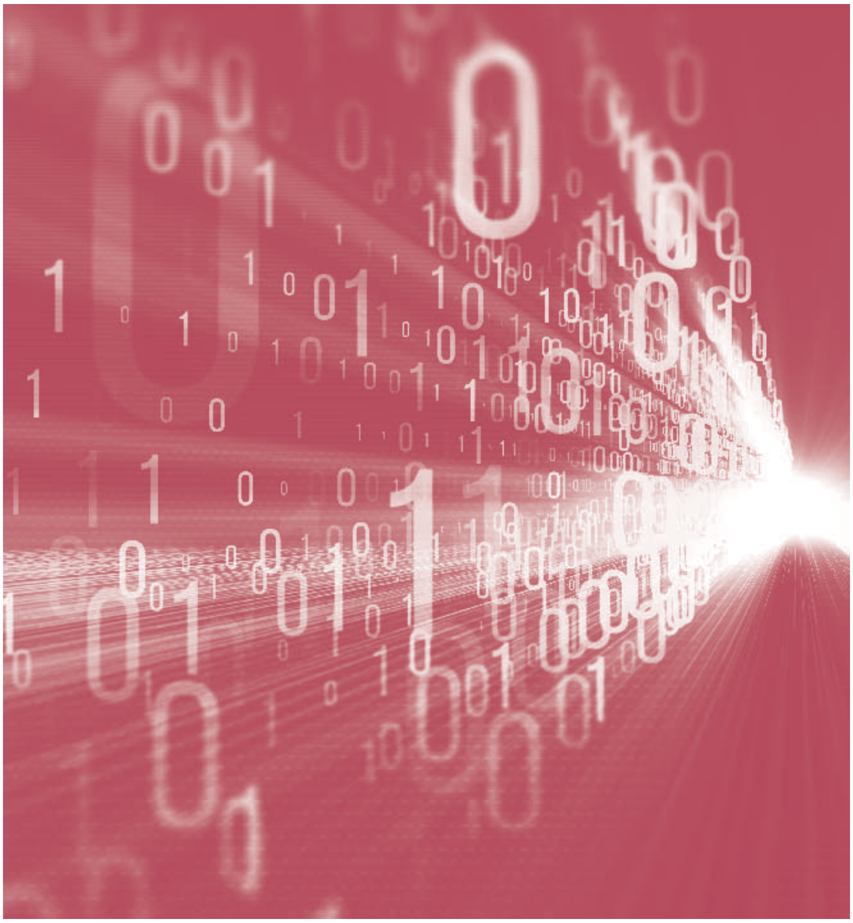
- Fixed assets (net) of the Company decreased by 53% from ₹3,096 mn as on 31st March 2018 to ₹1,444 mn as on 31st March 2019 owing to the transfer of assets pertaining to the demerged Engineering business of KPIT as a part of the merger and demerger agreement.

Working capital management

- Investments of the Company increased from ₹1185 mn as on 31st March 2018 to ₹1909 mn as on 31st March 2019.
- The demerger of KPIT's engineering services business led to a decrease of 12% in trade receivables from ₹8,057 mn as on 31st March 2018 to ₹7,108 mn as on 31st March 2019. The Company contained its debtor turnover cycle within 79 days of turnover equivalent in 2018-19.
- Cash and bank balances of the Company decreased by 22% from ₹4,651 mn as on 31st March 2018 to ₹3,617 mn as on 31st March 2019 due to the transfer of cash pertaining to the demerged Engineering business of KPIT as a part of the merger and demerger agreement.
- Other Financial Assets increased to ₹1,938 mn as of 31st March 2019 compared to ₹66 mn as of 31st March 2018 due to receivables from KPIT Engineering Ltd amounting to ₹1830 mn as on 31st March, 2019.

Opportunities

We are in the midst of a significant transformation regarding the way we produce products, thanks to the digitization of manufacturing referred to as the Fourth Industrial Revolution or Industry 4.0. The fourth industrial revolution is different from the three Industrial Revolutions that preceded it —which comprised steam and water power, electricity and assembly lines and computerization & automation fueled by data and machine learning. Industry 4.0 brings an exponential change to the way we live, work and relate to one another on account of the adoption of cyber-physical systems, the Internet of Things (IoT) and the Internet of Systems. This revolution is expected to impact all disciplines, industries, and economies wherein in the world of production, everything will be more networked and interlinked.



Birlasoft is uniquely poised to leverage the opportunities thrown in due to the technological disruption led by the multiple facets of Industry 4.0.

The Company, predominantly with its Enterprise Digital offerings in the areas of ERP, Customer Experience, CRM and Digital Transformational services, is poised with the digital transformation being top of mind for IT executives globally. According to Gartner Inc, spending on enterprise software, particularly cloud services and applications, is expected to grow faster than any other category in IT this year, fueling an overall increase in global spending on technology. It forecasts a 3.2 percent rise to $3.77 trillion in worldwide spending on IT. Spending on enterprise software is forecast to jump 8.5 percent in 2019, to hit $431 billion. Included in the enterprise software category are ERP (enterprise resource planning), SCM (supply chain management) CRM (customer relationship management), open-source, on-premises and cloud software. Gartner added that the shift from brick-and-mortar businesses to digital businesses will be the main driver for the uptick in IT spending. Apart from cost optimization, companies are moving to Cloud as it offers more about agility, feature functionalities and speed. The digital cloud business enables companies to possess hyperscale data centers that can support the speed of business, which is difficult for an on-premises software.

Cautionary Statement

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

Enterprise Risk Management (ERM) FY 18-19

Corporate strategies and business models are significantly impacted by rapid technology advancements and disruptive innovations, volatility of markets and challenging business environment influenced by the regulatory regimes across the globe. Increased cyber disruptions, changing customer preferences, enhanced customer experience, intensified competition, and uncertainty regarding catastrophic events etc. mandate managements to design and implement robust risk management programmes.

To facilitate this, the Company effectively deployed enterprise wise risk management practices, which helped the business sustain and generate value for customers, investors, employees, other stakeholders and society at large

Risk Management Overview

To accomplish the company's mission of "Making societies more productive by helping our customers run their businesses", the company integrated ERM with its defined strategies, which includes a focus on growth, improvement in profitability, delivery excellence, people and processes. The company's growth and profitability are impacted by significant changes in technology domains and industry verticals, in which the company operates: BFSI, CPG/Retail & Process Mfg., Lifesciences and Services, Auto, Discrete Mfg. Hi-Tech & Media, Energy resources and Utilities.

Technology disruption will extend to move to electrical / hybrid vehicles, autonomous driving and new mobility ideas in the Auto vertical while the Life science sector is influenced by emerging technologies like artificial intelligence, robotics, machine learning etc. and subject to strict regulatory requirements. The manufacturing vertical is witnessing increased demand for digitization, artificial intelligence and other technologies like robotics, cognitive computing, big data & analytics that are in preliminary stages of adoption. Energy and utilities vertical is impacted by stringent compliances, environmental mandates and changing customer expectations, which require strategic technology investment and innovation. The Media and Broadcasting industry is undergoing a paradigm shift, which demands changes in technology infrastructure. To address risks, the Company implemented a robust risk management framework, which incorporates evaluation and management of global risks including those prevailing in industry verticals.

Risk Management Governance

A governance structure in risk management framework was implemented, supported by a rigorous and systematic risk review process to identify, assess, monitor, manage and report risks throughout the organization – from the Board level to the business unit level.

The Risk Management Committee (RMC) assists the Board in its oversight of overall risk management process.

The executive management team is responsible for articulating strategic objectives of the Company and implementing ERM under the direction of RMC and sharing periodical updates with them.

For every risk identified, there are defined risk owners who are assigned to define and implement risk mitigating action plans. Periodically, risk status is reviewed and monitored by risk owners of respective business units and enabling functions of the company

The Risk coordinator works closely with executive management and risk owners for overall deployment of mitigating action plans, the monitoring their effectiveness and responsible for maintaining and updating the risk register.

Risk Management Framework

The Risk Management framework provides a comprehensive and systematic approach to identify and mitigate risks and maximize opportunities, by embedding risk management procedure as an integral part of planning at strategic and operational levels. This helped in monitoring, reporting and reviewing identified risks as well as considering new and emerging risks on a continuous basis.

Risk Identification

As the company is exposed to continually changing risks that may impede achievement of strategic objectives, it is imperative to proactively identify existing and emerging threats as well as opportunities. The company identifies risks based on monthly internal business review meetings, quarterly internal audits, periodic assessment of various business processes, need-based management audits, annual business plans, discussions in Board meetings. Comprehensive risks identified are documented in the risk register.

Risk Evaluation and Assessment

In risk assessment, risks are effectively analyzed and evaluated on the basis of probability of occurrence (likelihood) and impact of risks are determined. Based on the outcome, risks are prioritized and identified for close monitoring of mitigation plans.

Risk Mitigation and Treatment

Once the risks are measured based on the risk metrics and their status determined, the mitigation actions are taken by the risk owners. Needless to mention, the exact actions, their magnitude and sweep depend on the status of the risk. Risk mitigating actions includes acceptance of risks, implementing controls to minimize the likelihood of occurrence and the potential impact of risks, transfer of risks and avoidance of risks. Mitigating actions deployed are reviewed on a periodic basis for their progress and effectiveness to address the risk.

Risk Monitoring

Risk monitoring is a continuous process, which assists in determining the effectiveness of risk treatments and mitigating plans undertaken for existing risks, updating the status of risk and its prioritization as well as the identification of emerging risks.

Risk Reporting and Review

Risks are reported and reviewed periodically once a year by the Board, and by the Risk Management Committee, Quarterly by Governance, Risk and Compliance Committee.

Summary of key risks

The risks that are critical with an impact on the achievement of strategic objectives of the company

1

Concentration of business in specific geography / customer/ service line

As the strategy of the Company is based on focusing on a select number of industry verticals, geography, customers and offerings, there is always a possibility of business being concentrated in a particular area with consequential volatility.

The company mitigates this risk by maintaining a balance between various industry verticals, customers, geographies or offerings and making special efforts to grow the emerging businesses without compromising focus. Also, the merger of Birlasoft with KPIT's IT services business has broadened the customer base and offerings, which will assist in new customer acquisitions and expansion of business.

2

Impact on business due to emerging competition

Given the dynamic nature of the IT services industry in which the company operates, their is a risk of competitors providing new offerings / new business models, pricing pressure, consolidation of mid-tier IT companies, etc., which pose challenges to growth and margins.

The Company emphasizes on growth of top multiservice accounts with a key focus on account management and monitoring of cross-selling revenues. The Company is also focusing on widening the service offering and mining existing service lines, along with a target on multi-level client connects to enhance lon- term client relationships.

3

Technological disruption - adaptation to new technology offerings

Rapid transformation in technologies like robotics, cognitive technologies, machine learning, cloud, digital etc., have redefined business models. Delay in adaptation to new technology offerings could have an impact on business with customers.

The company continues to invest in building functional capabilities (Digital, Data Analytics etc.) in a more focused way and with swiftness and agility. The merger has broaden the company digital capabilities in positioning itself around emerging trends in technology as well as initiatives related to customer retention, mining and new customer acquisition

4

Integration risk related to combined entity

During fiscal 2018-19, the Company underwent a merger in January 2019. The integration risks are considered in defined plans for policies, processes and systems.

An integration team was set up upon the announcement of merger for smooth transitioning. Integration of systems, processes, customer contract novation was monitored meticulously to ensure effective policy, process and systems harmonization.

5

Resourcing related risk with reference to employee retention, development and training

The nature of the IT services business mandates the Company to recruit and retain professionals with requisite skill sets, adequate to meet customer demands. Less or under-proficient resources or delayed or absence of availability of the required resources could result in loss of business opportunities or delivery escalations from the customer.

The Company has an effective talent acquisition function, which devises strategies to attract qualified and skilled professionals from various talent pools that we source from. They also ensure that there is a robust selection process to identify and evaluate the 'right' skilled resources as per business needs.

The company continues to invest heavily in a robust training infrastructure, which ensures continuous skill enhancement and competency development for all deployable resources. The Learning and Development team is also geared to cater to any business or project specific skilling needs. This ensures that the delivery teams have the 'right and multi skilled' resources to deliver quality services to our customers. The company has 'Top Talent' and employee engagement processes that help engage and retain good talent within the organization.

6
Change in immigration laws of the geographies in which the company operates

Changes in the local immigration laws in some of countries that we operate in, have impacted mobility of resources across the globe, which is critical for our business. These changes have disrupted the availability of required resources in some client locations. It has increased the unpredictability of resource availability for these countries and our ability to cross-deploy and optimally use our resources.

To address some of these issues, the company increased its intake in these markets by hiring locally and reducing dependence on resources on work visa. The Company is also engaging with some customers to increase off-shoring of some roles to reduce onsite requirement to address the resource mobility issue. The company is continuously monitoring the changes in local immigration law or guidelines to ensure that we are in compliance and also to work with business teams to mitigate the impact, if any.

7
Data privacy risk related to General Data Protection Regulation (GDPR)

Privacy and protection of personal data is an area of increasing concern globally. Legislations like GDPR in Europe have severe consequences for non-compliance or breach. Ensuring data privacy through every stage of information life cycle (collection, storage, processing, retention and disposal) has become critical. Any violation or security breach observed non-compliance or inadequacy of privacy policies and procedures can result in potential liabilities, penalties and reputational impact.

The Company has a well-defined Data Protection and Data Privacy policy to ensure requisite compliances

8
Cyber security related risks

As companies embrace new technologies such as mobile computing, internet of things and cloud computing etc., cyber security is perceived as important risk. With the dynamic threat landscape of highly technical nature, there are possibilities of sophisticated targeted attacks, increasing ransomware threats, malware, data leakage and other security failures.

The company has a matured Information Security Management System with Policies, Processes and Controls to minimize the Cyber Security risks. The governance and management of security compliance and risk is reviewed periodically.

The company leverages leading industry standard controls to secure its IT infrastructure environment. Some of the preventive measures in place comprise Intrusion Prevention System-enabled perimeter firewalls, content filtering gateways, encryption for laptops and critical data at rest, regular software patching etc. Processes like Vulnerability management and internal Security Operations Centre (SOC) have also been established to strengthen the security posture.

The Company is ISO 27001 compliant, and in addition, NIST Cyber Security Framework has been implemented, which have been validated by third party agencies.

Statutory Section

Board's Report

Dear Members,

The Directors are pleased to present the Twenty Eighth Annual Report together with the Audited Accounts of the Company for the Financial Year ended March 31, 2019.

Restructuring of the Business

The Board of Directors of KPIT Technologies Limited at its meeting held on January 29, 2018 had approved a Composite Scheme of arrangement amongst Birlasoft (India) Limited and KPIT Technologies Limited and KPIT Engineering Limited and their respective shareholders ("Scheme") for:

(a) amalgamation of Birlasoft (India) Limited ("Birlasoft") with KPIT Technologies Limited ("KPIT") ("Combined KPIT") ("Merger") and

(b) demerger of the engineering business of KPIT into KPIT Engineering Limited ("KEL"), a wholly owned subsidiary of KPIT ("Demerger").

In terms of the Scheme and as provided for in the Implementation Agreement and other agreements executed between KPIT, Birlasoft, KEL and other parties, the promoters of KPIT and the promoters of Birlasoft have acquired joint control of Birlasoft Limited.

In consideration for the Merger, KPIT issued 22 (twenty-two) equity shares of ₹2/- each for every 9 (nine) equity shares of ₹10/- each, held by the shareholders of Birlasoft, on January 18, 2019 and in consideration for the demerger, KEL issued 1 (one) equity share of ₹10/- each for every 1 (one) equity share of ₹2/- each, held by the shareholders of the Combined KPIT as on January 25, 2019.

The transaction, as outlined above was duly approved by the Competition Commission of India, the relevant stock exchanges (i.e., National Stock Exchange of India Limited and BSE Limited) and the Securities and Exchange Board of India.

Further, KPIT convened the meeting of its members on August 29, 2018 as per the directions received from the National Company Law Tribunal, Mumbai Bench ("NCLT") where the composite scheme for the Merger and the Demerger was approved by the members.

Further, the said scheme was duly approved by NCLT on November 29, 2018 and the certified copy of the NCLT Order was received on December 18, 2018. The appointed date for the scheme was January 1, 2019. and the effective date of the scheme was January 15, 2019.

Subsequently, the name of "KPIT Technologies Limited" was changed to "Birlasoft Limited" with effect from February 8, 2019.

Change in nature of business

The erstwhile KPIT was engaged in two business segments (i) the enterprise resource planning business of Oracle and SAP, digital business (as comprised under digital technology SBU) along with IMS and EPLM business; and (ii) engineering business which includes solutions of electronic or mechanical engineering and usage of this data for diagnostics, maintenance and tracking of assets and related connectivity solutions including data and analytics beyond embedded or mechanical engineering and their connectivity and integration with backend IT systems and platforms.

The Merger of Birlasoft into the Company and the subsequent Demerger created two specialized companies focused on:

1. Business IT and consulting with strong expertise into enterprise resource planning, digital solutions and consulting with wider industry coverage

2. Deep domain expertise in auto engineering and mobility solutions

Summary of Financial Performance

The financial performance of the Company for the financial year ended March 31, 2019 is summarized below:

(In million)

Particulars	Standalone 2018-19 (April to Dec 2018)		Consolidated 2018-19 (April to Dec 2018)		Standalone 2018-19 (Jan to March 2019)		Consolidated 2018-19 (Jan to March 2019)		Standalone For FY 2018-19		Consolidated For FY 2018-19	
	US$	₹	US$	₹	US$	₹	US$	₹	US$	₹	US$	₹
Revenue from operations	94.99	6,615.63	253.04	17,623.79	48.88	3,404.24	113.18	7,882.88	143.87	10,019.87	366.23	25,506.67
Profit before Tax (PBT)	14.65	1,020.41	29.93	2,084.34	6.18	430.17	11.61	808.87	20.83	1,450.58	41.54	2,893.21
Profit for the year												
- Continuing operations	11.24	783.11	24.31	1,693.21	3.96	275.90	9.49	660.64	15.21	1,059.01	33.80	2,353.85
- Discontinuing operations	8.86	617.33	8.15	567.79	-	-	-	-	8.86	617.33	8.15	567.79
Other comprehensive income	0.77	53.79	4.28	298.01	(0.28)	(19.61)	(2.08)	(144.86)	0.49	34.18	2.20	153.15
Total comprehensive income for the year	20.88	1,454.23	36.74	2,559.01	3.68	256.29	7.41	515.78	24.56	1,710.52	44.15	3,074.79

Business and Financial Performance

During the year under review, the total revenues from operations (consolidated) increased to ₹25,506.67 million, a growth of over 13.4% as compared to the previous year. Earnings before interest, tax, depreciation and amortization was ₹3,063.96 million on consolidated basis. Net profit after tax (consolidated) increased by 23.1% to ₹2,353.85 million.

In US Dollar terms, revenues from operations for the year on consolidated basis was ₹366.23 million as against ₹348.40 million during the previous year, a growth of 5.1%. Average realization rate was ₹69.65 per US Dollar.

Standalone sales for the financial year 2018-19 grew by 23.8% to reach ₹10,019.87 million. Net profit after tax decreased by 17.4% to ₹1,059.01 million.

Dividend

The Directors are pleased to recommend a final dividend of ₹2/- per equity share of face value of ₹2/- each (100%) on the paid-up equity share capital of the Company for the year under review, subject to approval of shareholders at the forthcoming annual general meeting of the Company. The total pay-out will amount to ₹659.91 million including dividend distribution tax.

The Record Date for the payment of Dividend is July 31, 2019 for determining the entitlement of the shareholders to the final dividend for financial year 2018-19.

Share Capital

The issued, subscribed and paid-up capital of the Company as on March 31, 2019 is ₹548.28 million, consisting of 274,143,808 equity shares of ₹2/- each.

Credit Rating

The erstwhile CRISIL rating of the Company was AA-. We are in the process of obtaining a fresh rating for the merged entity.

Quality and Information Security

Birlasoft is a CMMI Level 5 Organization for several years in a row now. We continue to improve our Quality focus through internal initiatives and by getting assessed against international standards. In accordance with this, Birlasoft got appraised for CMMI-DEV® (Development) & CMMI-SVC® (Services) V1.3 at Maturity Level 5. Achieving this milestone is a testimony of our commitment to continuously improve our quality & operational processes while at the same time strengthening our delivery capabilities to meet our customers' expectations. In furtherance to the commitment to quality and excellence, our Quality Management system is compliant to ISO 9001:2015 and ISO 20000-1:2011 certification for IT Services.

We also continued to maintain our certifications for Information Security Management (ISO 27001:2013).

Productivity

Our commitment to productivity has lead us to a path of creation of a wealth of knowledge assets. We run multiple initiatives to harness this latent knowledge in our resources and bring it to the fore. There are three key initiatives - Knowledge Management, Productivity Forum and myTime.

Productivity forum is a bi-annual 3 day event that is eagerly awaited by the developer community. In this event, Case studies of productivity improvement are presented by SMEs which showcase how the wealth is generated using innovation and technology. This forum gives the teams a platform to share latest tools, automation techniques and technologies as per the industry best practices to satisfy the technical requirements of our budding technocrats.

Knowledge Management is an initiative where technical and functional information is collected, structured, stored and presented by and for the respective stakeholders within their communities. The wealth of knowledge thereby created by communities within the organization is utilized by customer facing teams on delivering greater value to the customer.

The bandwidth created by the above initiatives is re-invested by our passionate team members through our crowd-sourcing platform: myTime. This platform helps engineers select the areas where their passion lies and gives them an opportunity to pursue it. This forum is the place where technologists across domains and technologies are able to share their knowledge and interact with each other.

Institutional Shareholding

As on March 31, 2019, the total Institutional shareholding in the Company was 37.37% of the total share capital.

Information about the Subsidiary Companies

As on March 31, 2019, the Company had 15 subsidiaries, including step-down subsidiaries.

The Company has incorporated KPIT Infosystems Mexico, S.A. DE C.V. a step-down subsidiary in Mexico and consequent upon the merger of Birlasoft (India) Limited with KPIT Technologies Limited, all the subsidiaries of Birlasoft (India) Limited now form a part of the Company.

In accordance with Section 129(3) of the Companies Act, 2013, (hereinafter referred to as "the Act") the Company has prepared consolidated financial statements of the Company and all its subsidiary 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.birlasoft.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. Members interested in obtaining a printed copy of the audited annual accounts of the subsidiary companies may write to the Company Secretary at the Company's registered office.

Board of Directors, its Committees and Meetings thereof

The Company has a professional Board with an optimum combination of executive, non-executive and independent directors (including woman directors) who bring to the table the right mix of knowledge, skills and expertise. The Board provides strategic guidance and direction to the Company in achieving its business objectives and protecting the interest of the stakeholders. The Board is also supported by Committees of Directors viz. Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee & Risk Management Committee.

One meeting of the Board of Directors is held in each quarter. Additional meetings of the Board/Committees are convened as may be necessary for the proper management of the business operations of the Company. A separate meeting of independent directors is also held at least once in a year to review the performance of non-independent directors, the Board as a whole and the Chairman.

Consequent upon the merger of Birlasoft (India) Limited with KPIT Technologies Limited the following directors resigned from the Board of the Company w.e.f January 15, 2019, Mr. S. B. (Ravi) Pandit (DIN: 00075861), Mr. Kishor Patil (DIN: 00076190), Mr. Sachin Tikekar (DIN: 02918460), Ms. Lila Poonawalla (DIN: 00074392), Mr. Adi Engineer (DIN: 00016320), Prof. Alberto Sangiovanni Vincentelli (DIN: 05260121), Mr. BVR Subbu (DIN: 00289721), Dr. Klaus Blickle (DIN: 07958326) & Mr. Nickhil Jakatdar (DIN: 05139034). The Board places on record its appreciation and valuable services provided by them during their tenure.

Further the following directors were appointed on the Board of the Company, Mrs. Amita Birla (DIN: 00837718), Mr. CK Birla (DIN: 00118473), Mr. Pawan Sharma (DIN: 01924215) as Additional Directors and Mr. Ashok Barat (DIN: 00492930), Ms. Nandita Gurjar (DIN: 01318683) and Mr. Prasad Thrikutam

(DIN: 06814004), as Additional & Independent Directors w.e.f. January 15, 2019 and Mr. Anjan Lahiri ((DIN: 06407055) as Managing Director & CEO w.e.f January 16, 2019 till May 31, 2019. Mr. Dharmander Kapoor (DIN: 08443715) was appointed as the Chief Executive Officer & Managing Director w.e.f. June 1, 2019. Mr. Pawan Sharma (DIN: 01924215) resigned as Whole-time Director w.e.f. May 31, 2019 and Mr. Sachin Tikekar (DIN: 02918460) was appointed as Nominee Director w.e.f. June 1, 2019.

Consequent upon the merger of Birlasoft (India) Limited with KPIT Technologies Limited, all the Non- Independent Directors are Additional Directors and are due for regularization in the ensuing Annual General Meeting. Hence, in accordance with Section 152 of the Act, no director retires by rotation at the forthcoming Annual General Meeting.

Six meetings of the Board of Directors were held during the year. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A detailed update on the Board and its Committees' composition, number of meetings held during the financial year 2018-19 and attendance of the directors at these meetings is provided in the Report on Corporate Governance, which forms a part of this Annual Report.

Key Managerial Personnel

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

1. Mr. Anjan Lahiri - Managing Director & Chief Executive Officer (CEO) (DIN 06407055) w.e.f January 16, 2019 to May 31, 2019

2. Mr. Dharmander Kapoor - Chief Executive Officer (CEO) US$& Managing Director (DIN 0008443715) w.e.f June 1, 2019

3. Mr. Rajeev Gupta - Chief Financial Officer (CFO) (ACA 100899) w.e.f January 16, 2019

4. Ms. Sneha Padve - Company Secretary. (ACS 9678)

Prior to January 16, 2019, Mr. Kishor Patil was the Chief Executive Officer (CEO) & Managing Director and Mr. Vinit Teredesai was the Chief Financial Officer of the Company.

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 (ICAI Firm Registration No. 101248W/W - 100022), were appointed as the Statutory Auditors of the Company in the Annual General Meeting held on July 25, 2014 for a period of five years. As per the provisions of the Companies Act the auditors are due for re-appointment for a further period of 4 years. Based on the recommendation of the audit committee, the Board of Directors recommends the reappointment of B S R & Co. LLP, as the statutory auditors of the Company to hold office from the forthcoming annual general meeting till the annual general meeting to be held in the year 2023.

The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The 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 (CP No. 5144), 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 2". The report does not contain any qualification, reservation or adverse remark.

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 detailed review of the operations, performance and outlook of the Company and its business is given in the Management Discussion and Analysis Report, which forms a part of this Report.

Awards & Recognition

- Birlasoft acknowledged with SAP® North America Partner Excellence Award 2019 for Customer Experience.

- Birlasoft receives Distinguished Partner Award in the 'Process Innovation – Complement JDE with SaaS'
- Birlasoft wins 'Oracle Excellence Award 2018' in the 'SCM Cloud Partner of the Year' category at the Oracle India Partner Forum FY19
- Birlasoft recognized as a Market Leader for "SAP Services," according to ISG
- Birlasoft named "SAP Hybris Americas Service Delivery Partner of the Year"

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 Plan (ESOPs)

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

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

The Company has adopted 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. As a part of our orientation programs for all new joinees, the Company mandates that they complete an e-learning module on the same as well.

As per the provisions of Section 21 and 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the report on the details of the number of cases filed under Sexual Harassment and their disposal, during the year -2018-19 is as under:

No. of complaints filed	No. of complaints disposed	No. of complaints pending as on end of F.Y.
04	04	Nil

Deposits

During the financial year under review, the Company did not accept deposits covered under Chapter V of the Companies Act, 2013.

Research and Development (R&D) Activity

The total amount spent on R & D activities is given below:

R & D expenses for the year ended March 31, 2019

Particulars	Amount (₹ in million)	Key Project Details
Expensed in the statement of profit and loss (Refer Note 1)	192.96	Autonomous Vehicle, Cloud Computing, Innovation
Assets capitalized during the year	25.68	
Total	218.64	

Note:

Out of total R & D expenditure of ₹192.96 million, eligible R & D revenue expenditure under Section 35(2AB) of the Income Tax Act, 1961, for the Company is ₹129.23 million.

Independence of the Board

The Board of Directors of the Company comprises of optimum number of Independent Directors. 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 SEBI (LODR) Regulations, 2015 and Section 149(6) of the Act:

1. Mr. Anant Talaulicar (DIN: 00031051)
2. Ms. Alka Bharucha (DIN: 00114067)
3. Mr. Ashok Barat (DIN: 00492930)
4. Ms. Nandita Gurjar (DIN: 01318683)
5. Mr. Prasad Thrikutam (DIN: 06814004)

Company's Policy on Directors' appointment and remuneration

Pursuant to the provisions of Section 134(3)(e) of the Act, the policy of the Company on the appointment and remuneration 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 annexed to this Report as "Annexure 5".

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

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

Sr. No.	Name of the subsidiary	Nature of transaction	Duration	Rate of Interest (%)	Amount (₹ in million)	Purpose
1	KPIT Engineering Limited *	Loan given	1 year	MCLR +1%	1,300.00	Setting up KEL engineering business

** this loan was repaid by KPIT Engineering Limited on March 25, 2019*

Related Party Transactions

The Company has adequate procedures for identification and monitoring of related party transactions. All transactions entered into with related parties during the financial year were on an arm's length basis. All related party transactions were placed before the Audit Committee and also the Board for approval, wherever required. Prior omnibus approval of the Audit Committee was obtained for the transactions that were of a foreseen and repetitive nature. These transactions were reviewed by the Audit Committee on a quarterly basis.

There were no materially significant related party transactions made by the Company with promoters, directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

For details on related party transactions, members may refer to the notes to the financial statement. The Policy on related party transactions as approved by the Board is available on the Company's website and can be accessed through the web link (https://www.birlasoft.com/company/investors/corporate-governance)

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 6".

Material changes and commitments

The erstwhile KPIT was engaged in two business segments (i) the enterprise resource planning business of Oracle and SAP, digital business (as comprised under digital technology SBU) along with IMS and EPLM business; and (ii) engineering business which includes solutions of electronic or mechanical engineering and usage of this data for diagnostics, maintenance and tracking of assets and related connectivity solutions including data and analytics beyond embedded or mechanical engineering and their connectivity and integration with backend IT systems and platforms.

Due to the implementation of the Composite Scheme of Arrangement, the Business IT segment of KPIT and the business run by Birlasoft (India) Limited got merged, resulting into Birlasoft emerging as a larger entity with strong expertise into enterprise resource planning, digital solutions and consulting with wider industry coverage. This was a material re-structuring activity undertaken by the Company during the year under review.

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.

Risk Management Policy

A mechanism to identify, assess, monitor and mitigate various risks to key business objectives of the Company is in place. A write-up on Enterprise Risk Management forms part of this Annual Report.

Internal Control Systems and Adequacy of Internal Financial Controls

The Company has put in place adequate internal financial control procedures commensurate with its size and nature of business. The Company has identified and documented all key financials controls, which impact the financial statements as part of its Standard Operating Procedures (SOP). The financials controls are tested for operating effectiveness through ongoing monitoring and review process by the management and independently by the Internal Auditors. In our view the internal control systems of the Company are adequate considering the nature of its business, size and complexity. Further, significant observations, if any, and action taken reports on the same are considered by Audit Committee at their meeting.

Committee Recommendations

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

Corporate Social Responsibility (CSR)

The Policy on Corporate Social Responsibility of the Company and the details about the development of CSR Policy and initiatives taken by the Company on CSR during the year as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been annexed to this Report as "Annexure 7".

Formal Annual Evaluation by the Board, Committees and Individual Directors

A formal evaluation of the performance of the Board, its Committees, the Chairman and the individual directors was carried out for the financial year 2018-19. The performance evaluation was done using individual questionnaires, covering amongst others, composition of Board, receipt of regular inputs and information, functioning, performance and structure of Board Committees, skill set, knowledge and expertise of directors, preparation and contribution at Board meetings, leadership etc. The performance evaluation of the respective Committees and that of independent and non-independent directors was done by the Board excluding the director being evaluated.

The performance evaluation of non-independent directors, the Chairman and the Board was done by the independent directors.

Vigil mechanism/Whistle Blower Policy

The Company has established a vigil mechanism 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 may be accessed on the Company's website at the link: (https://www.birlasoft.com/company/investors/corporate-governance).

Extract of Annual Return

Pursuant to section 134(3)(a) and section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, relevant extract of Annual Return in Form MGT-9 for the financial year 2018-19 is annexed as Annexure '8' to this Report.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

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 is annexed as "Annexure 9" to this report.

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 financial year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;

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, 2019 and of the profit of the Company for the year ended March 31, 2019;

iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) they have prepared the annual financial statements 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 were operating effectively; and

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

CEO & CFO Certification

Certificate by Mr. Anjan Lahiri, CEO & Managing Director and Mr. Rajeev Gupta, 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 May 24, 2019.

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.

Listing with Stock Exchanges

The Equity Shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited. The annual listing fees for the financial year 2019-20 have been paid to these exchanges.

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) – Navi Mumbai, Chennai, Bengaluru, Hyderabad, Noida 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

Delhi
May 24, 2019

Amita Birla
Chairman

Annexure 1

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint venture

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries w.e.f. January 1, 2019

(₹ in million except exchange rate)

Sr. No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Name of the subsidiary	KPIT Technologies France	Birlasoft Solutions Inc. (Formerly KPIT Infosystems Incorporated, USA)	Birlasoft Computer Corporation, USA (Formerly SYSTIME Computer Corporation, USA)	Sparta Consulting Inc., USA (Refer note 'b' below)	KPIT Infosystems ME FZE, UAE (Refer note 'f' below)	KPIT Solutions GmbH, Germany (Refer note 'e' below)	KPIT Technologies Solucoes Em Informatica Ltda., Brazil (Refer note 'c' below)	Birlasoft Technologies Canada Corporation (Formerly KPIT Technologies Corporation) (Refer note 'd' below)	KPIT Infosystems Limited (UK)	Birlasoft Inc. USA	Enable Path LLC, USA (Refer note 'a' below)	Birlasoft (UK) Limited, (Refer note 'a' below)	Birlasoft GmbH, Germany (Refer note 'g' below)	Birlasoft Sdn Bhd, Malaysia	KPIT Infosystems Mexico, S.A. DE C.V. (Refer note 'h' below)*
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	NA
Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	77.72	69.15	69.15	69.15	18.85	77.72	17.74	51.58	90.70	69.15	69.15	90.70	77.72	16.94	0.00
Share capital	7.77	3,852.34	7.61	353.02	22.35	1.94	71.36	0.00	45.35	35.01	557.52	13.61	1.94	0.08	0.00
Reserves & surplus	204.04	276.13	9,341.5	268.29	194.57	20.53	-69.57	700.05	29.64	2,054.52	-866.01	183.79	-2.64	21.49	0.00
Total assets (excluding 9 below)	179.80	6,458.97	1,872.15	1,983.41	266.41	352.97	96.99	792.01	1,546.76	3,167.47	-205.24	334.87	-0.38	32.90	0.00
Total liabilities (excluding 5 & 6 above)	-32.01	2,330.51	930.39	1,362.09	49.49	330.50	95.19	91.96	1,471.77	1,077.94	103.25	137.48	0.31	11.33	0.00

(₹ in million except exchange rate)

Sr. No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Name of the subsidiary	KPIT Technologies France	Birlasoft Solutions Inc. (Formerly KPIT Infosystems Incorporated, USA)	Birlasoft Computer Corporation, USA (Formerly SYSTIME Computer Corporation, USA)	Sparta Consulting Inc., USA (Refer note 'b' below)	KPIT Infosystems ME FZE, UAE (Refer note 'f' below)	KPIT Solutions GmbH, Germany (Refer note 'e' below)	KPIT Technologies Solucoes Em Informatica Ltda., Brazil (Refer note 'c' below)	Birlasoft Technologies Canada Corporation (Formerly KPIT Technologies Corporation) (Refer note 'd' below)	KPIT Infosystems Limited (UK)	Birlasoft Inc. USA	Enable Path LLC, USA (Refer note 'a' below)	Birlasoft (UK) Limited, (Refer note 'a' below)	Birlasoft GmbH, Germany (Refer note 'g' below)	Birlasoft Sdn Bhd, Malaysia	KPIT Infosystems Mexico, S.A. DE C.V. (Refer note 'h' below)*
Investments (except in case of investment in subsidiaries)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Turnover	296.86	14,767.66	2,674.47	5,560.87	99.68	700.50	394.99	1,207.02	325.71	2,050.27	0.00	165.84	0.00	3.88	0.00
Profit/(Loss) before taxation	32.42	462.90	14.03	271.90	-49.28	-34.09	-12.20	236.74	36.95	59.68	-0.16	22.68	-0.33	-0.51	0.00
Provision for taxation	-4.41	-19.73	3.45	-41.67	-0.33	-0.02	2.23	-64.43	-7.02	-6.93	-6.97	-2.06	0.00	0.46	0.00
Profit/(Loss) after taxation	28.01	443.16	17.48	230.22	-49.61	-34.11	-9.97	172.31	29.93	52.75	-7.13	20.62	-0.33	-0.05	0.00
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	98%

Notes :

a. 100% owned by Birlasoft Inc. USA

b. 100% owned by Birlasoft Solutions Inc. (Formerly KPIT Infosystems Incorporated, USA)

c. 99.99% owned by Birlasoft Solutions Inc. (Formerly KPIT Infosystems Incorporated, USA)

d. 100% owned by Birlasoft Computer Corporation, USA (SYSTIME Computer Corporation, USA)

e. 100% owned by KPIT Infosystems Limited (UK)

f. Include branches KPIT Infosystems ME FZE Australia branch and KPIT Infosystems ME FZE Korea Branch

g. 100% owned by Birlasoft (UK) Limited, UK

h. 98% owned by Birlasoft Solutions Inc. (Formerly KPIT Infosystems Incorporated, USA)

* Currently this subsidiary is not operational.

Part “A”: Subsidiaries upto December 31, 2018

(₹ in million except exchange rate)

Sr. No.	1	2	3	4	5	6	7	8	9	10	11	12	13
Name of the subsidiary	KPIT (Shanghai) Software Technology Co. Limited, China (Refer note 'a' below)	KPIT Technologies (UK) Limited (Refer note 'a' below)	KPIT Technologies Netherlands B.V. (Refer note 'a' below)	KPIT Technologies GmbH, Germany (Refer note 'a' below)	Impact Automotive Solutions Limited (Refer note 'a' below)	KPIT Technologies Limited* (Formerly KPIT Engineering Limited) (Refer note 'a' below)	Yantra Digital Services Private Limted (Refer note 'a' below)	MicroFuzzy Industrie-Elektronic GmbH, Germany (Refer note 'a' below)	Microfuzzy KPIT Tecnologia LTDA, Brazil (Formerly SYSTIME Global Solutions LTDA, Brazil) (Refer note 'a' below)	KPIT Technologies Holding Inc (US) (Refer note 'a' below)	KPIT Infosystems Inc.(US) (Refer note 'a' below)	KPIT Technologies PTE Limited (Refer note 'a' below)	KPIT Technologies GK, Japan (Refer note 'a' below)
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
Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	10.31	90.70	77.72	77.72	1.00	1.00	1.00	77.72	17.74	69.15	69.15	51.12	0.62
Share capital	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserves & surplus	-	-	-	-	-	-	-	-	-	-	-	-	-
Total assets (excluding 9 below)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities (excluding 5 & 6 above)	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments (except in case of investment in subsidiaries)	-	-	-	-	-	-	-	-	-	-	-	-	-
Turnover	306.02	2,486.12	312.34	2,455.69	98.86	-	8.67	1,713.81	4.28	-	1,403.11	-	337.56
Profit/(Loss) before taxation	2.57	289.45	15.99	491.74	(253.68)	(23.59)	(226.39)	170.88	2.83	-	281.39	-	156.36
Provision for taxation	-	(48.48)	(3.49)	0.57	-	-	-	(55.37)	(0.33)	-	(38.60)	-	(51.05)
Profit/(Loss) after taxation	2.57	240.97	12.50	492.31	(253.68)	(23.59)	(226.39)	115.51	2.50	-	242.79	-	105.31
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-
% of shareholding	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Notes :

a. These entities were transferred to the Resulting Company on appointed date as a part of the Composite Scheme of arrangement. While preparing Consolidated Statement of Profit and Loss, the profit for the period of nine months ended on December 31, 2018, (till the date Demerged Company had control over these entities) is considered.

For and on behalf of the Board of Directors

Pune
May 24, 2019

Amita Birla
Chairman

Annexure 2

SECRETARIAL AUDIT REPORT

for the financial year ended 31 March, 2019

[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,
Birlasoft Limited,
35 & 36, Rajiv Gandhi Infotech Park,
Phase - I, MIDC, Hinjawadi, Pune – 411057.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Birlasoft 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 audit period covering the financial year ended on 31 March, 2019 ('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, 2019, 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) 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, 2009 and 2018;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - (Not applicable to the Company during 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, 2009 (Not applicable to the Company during the Audit Period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and 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, 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) 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 there were following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards:

- The National Company Law Tribunal approved the Composite Scheme of Arrangement amongst Birlasoft (India) Limited and KPIT Technologies Limited and KPIT Engineering Limited and their respective shareholders order of amalgamation from NCLT on 29 November 2018. Further, pursuant to the said Scheme the name of KPIT Technologies Limited was changed to Birlasoft Limited, with effect from 8 February 2019.
- The Company incorporated a wholly-owned step-down subsidiary company in Mexico on 25 October 2018.

Dr. K. R. Chandratre
FCS No.: 1370, C. P. No.: 5144

Place: Pune
Date: 24 May 2019

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

Annexure to the Secretarial Audit Report

To,
The Members,
Birlasoft Limited,
35 & 36, Rajiv Gandhi Infotech Park,
Phase - I, MIDC, Hinjawadi, Pune – 411057.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test-check basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test-check basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Dr. K. R. Chandratre
FCS No.: 1370, C. P. No.: 5144

Place: Pune
Date: 24 May 2019

Annexure 3(a)

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

Employee Name	Age (Yrs.)	Designation	Qualification	Exp. (Yrs.)	Date of joining	Remuneration received (₹ in million)	Particulars of previous employment
Part A: Particulars of employees who were in employment throughout the financial year and are in receipt of remuneration of not less than ₹10,200,000/- p.a. in aggregate.							
NA							
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.							
Shashishekhar Pandit	69	Chairman & Group CEO	Chartered Accountant, CWA & MS (Management)	44	01-Apr-14	42.37	Kirtane & Pandit LLP, Chartered Accountants
Kishor P Patil	57	CEO & Managing Director	Chartered Accountant	35	28-Dec-90	36.97	Kirtane & Pandit LLP, Chartered Accountants
Sachin Tikekar	51	President and Board Member	MBA (Strategic Management & International Finance)	25	14-Sep-93	32.62	KPIT Infosystems Incorporated
Anup V Sable	50	EVP & CTO- CTO Team	BE – Mechanical	31	17-Oct-94	12.48	The Automotive Research Association of India
Rohit S Natekar	42	Head- Sales	BE-Electronics	20	01-Aug-04	10.75	Sanskruti Group
Mandar D Marulkar	46	Vice President - CDO	BE- Electronics	25	10-May-04	10.56	Tata Home Finance
Anjan Lahiri	53	Chief Executive Officer	MBA	32	20-Apr-15	6.58	Sasken Technologies
Rajesh Janwadkar	50	Sr. Vice President - Global Head SBU	BE	29	03-Sep-98	8.77	Information Management Resources India Ltd.
Dr. Manaswini Rath	46	Practice Head	BE, MBA	19	03-Mar-14	8.46	Infosys Ltd
Prabhakar Bendre	60	Executive Vice President	BE	35	25-Jul-12	8.31	Self Employed
Suresh A Umakanthaiah	53	Associate Vice President - Operations	BE, MBA	31	10-Nov-99	7.93	COMPUSOL
Abhishek Sinha	47	Chief People & Operations Officer	B tech-Mechanical	25	05-Nov-13	7.93	Infosys Ltd
Priyamvada Hardikar	47	VP - Corporate Accounts & Finance	B.Com. ICWA	26	03-Nov-08	7.90	Avitis
Yogesh Sharma	52	Vice President	BE-Computer Science	31	08-Oct-10	7.76	D-Link India
Dharmander Kapoor	52	Chief Operating Officer	MCA	29	03-Dec-14	7.74	HCL Technologies Ltd
Samit Deb	47	Chief People Officer	MBA-HR	23	02-Dec-15	6.14	Kronos Solutions India Pvt Ltd
Rajeev Gupta	46	Chief Financial Officer	CA	22	28-May-18	5.66	JLT Group
Nataraj N	50	Sr. Vice President - Global Head SBU	BSC	28	06-May-15	5.61	Hexaware Technologies
Sourabh Jha	43	Head-Sales	MBA-Finance	20	02-May-07	5.60	Satyam Computers

Employee Name	Age (Yrs.)	Designation	Qualification	Exp. (Yrs.)	Date of joining	Remuneration received (₹ in million)	Particulars of previous employment
Anil K Patwardhan	61	Chief Financial Officer	CA	37	05-Oct-98	3.54	Praj Industries
Leena Thomas	46	Senior Director - Human Resources	B.Com, MBA	20	06-Nov-06	2.61	Patni Computers
Omkar Barde	42	Director-Sales	BE	16	01-Mar-11	2.06	Nilson Technology
Pawan Sharma	51	CEO	BE	29	01-Oct-06	1.10	HCL Technologies Ltd

Notes:

Remuneration comprises basic salary, allowances and taxable value of perquisites.

Remuneration does not include Company's contribution to provident fund and actuarial valuation of gratuity.

None of the above employees is related to any director of the Company.

The nature of employment is contractual in all the above cases.

None of the employees hold two percent or more of the paid up equity share capital of the Company.

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
Shashishekhar Pandit	69	Chairman & Group CEO	Chartered Accountant, CWA & MS (Management)	44	01-Apr-14	42.37	Kirtane & Pandit LLP, Chartered Accountants
Kishor P Patil	57	CEO & Managing Director	Chartered Accountant	35	28-Dec-90	36.97	Kirtane & Pandit LLP, Chartered Accountants
Sachin Tikekar	51	President and Board Member	MBA (Strategic Management & International Finance)	25	14-Sep-93	32.62	KPIT Infosystems Incorporated
Anup V Sable	50	EVP & CTO- CTO Team	BE – Mechanical	31	17-Oct-94	12.48	The Automotive Research Association of India
Rohit S Natekar	42	Head- Sales	BE-Electronics	20	01-Aug-04	10.75	Sanskruti Group
Mandar D Marulkar	46	Vice President - CDO	BE- Electronics	25	10-May-04	10.56	Tata Home Finance
Sahil Dhawan	39	Head-Sales	MBA-Marketing	17	01-Jan-14	8.77	CVSIT Services (I) Pvt Ltd
Rajesh Janwadkar	50	Sr. Vice President - Global Head SBU	BE	29	03-Sep-98	8.77	Information Management Resources India Ltd.
Dr. Manaswini Rath	46	Practice Head	BE, MBA	19	03-Mar-14	8.46	Infosys Ltd
Anjan Lahiri	53	Chief Executive Officer	MBA	32	20-Apr-15	6.58	Sasken Technologies

Annexure 3(b)

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	Mrs. Amita Birla*	Not Applicable
		Mr. CK Birla*	Not Applicable
		Mr. Anjan Lahiri*	Not Applicable
		Mr. Pawan Sharma*	Not Applicable
		Mr. Anant Talaulicar*	Not Applicable
		Ms. Alka Bharucha	1.32
		Mr. Ashok Barat*	Not Applicable
		Ms. Nandita Gurjar*	Not Applicable
		Mr. Prasad Thrikutam*	Not Applicable
		Mr. S. B. (Ravi) Pandit*	Not Applicable
		Mr. Kishor Patil*	Not Applicable
		Mr. Sachin Tikekar*	Not Applicable
		Ms. Lila Poonawalla*	Not Applicable
		Mr. Adi Engineer*	Not Applicable
		Prof. Alberto Sangiovanni Vincentelli*	Not Applicable
		Mr. B V R Subbu*	Not Applicable
		Dr. Klaus Blickle*	Not Applicable
		Mr. Nickhil Jakatdar*	Not Applicable
		*Not applicable as figures for 2018-19 are for the part of the year	
ii.	The percentage increase in remuneration of each Director, CFO, CS in the financial year	Mrs. Amita Birla*	Not Applicable
		Mr. CK Birla*	Not Applicable
		Mr. Anjan Lahiri*	Not Applicable
		Mr. Pawan Sharma*	Not Applicable
		Mr. Anant Talaulicar*	Not Applicable
		Ms. Alka Bharucha*	Not Applicable
		Mr. Ashok Barat*	Not Applicable
		Ms. Nandita Gurjar*	Not Applicable
		Mr. Prasad Thrikutam*	Not Applicable
		Mr. S. B. (Ravi) Pandit*	Not Applicable
		Mr. Kishor Patil*	Not Applicable
		Mr. Sachin Tikekar*	Not Applicable
		Ms. Lila Poonawalla*	Not Applicable
		Mr. Adi Engineer*	Not Applicable
		Prof. Alberto Sangiovanni Vincentelli*	Not Applicable
		Mr. B V R Subbu*	Not Applicable
		Dr. Klaus Blickle*	Not Applicable

Sr. No.	Particulars	Disclosure	
		Mr. Nickhil Jakatdar*	Not Applicable
		Mr. Anil Patwardhan* (CFO till May 23, 2018)	Not Applicable
		Mr. Vinit Teredesai* (CFO from May 24, 2018 to January 15, 2019)	Not Applicable
		Mr. Rajeev Gupta* (CFO from January 16, 2019 onwards)	Not Applicable
		Ms. Sneha Padve (CS)	23.22
		*Not applicable as figures for 2018-19 are for the part of the year.	
iii.	The increase in the median remuneration of employees in the financial year	22.18%	
iv.	The number of permanent employees on the rolls of the Company	8,078 employees as on March 31, 2019.	
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 14.38% Average increase in the remuneration of Directors and other Key Managerial Personnel is not comparable as the remuneration given to Directors & KMP is for part of the year.	
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

Delhi
May 24, 2019

Amita Birla
Chairman

Annexure 4

EMPLOYEE STOCK OPTION PLANS (ESOPs)

Disclosure as required under the Securities Exchange and Board of India (Share Based Employee Benefits) Regulations, 2014, as on March 31, 2019

A. Summary of Status of ESOPs

The position of the existing scheme is summarized as under -

Sr. No.	Particulars	ESOP 2004 Scheme	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme*
I.	**Details of the ESOPs**					
1	Date of Shareholder's Approval	September 28, 2001	August 28, 2006	April 11, 2014	August 19, 2015	August 29, 2018
2	Total Number of Options approved[#]	75,46,265	1,36,83,562	10,00,000	25,00,000	4,769,267
3	Vesting Requirements	The options shall vest over a period of 1 to 3 years from the date of grant. End of Year 1: 33% End of Year 2: 33% End of Year 3: 34%	The options shall vest over a period of 1 to 3 years from the date of grant. End of Year 1: 30% End of Year 2: 30% End of Year 3: 40%	The options shall vest over a period of 1 to 3 years from the date of grant. End of Year 1: 30% End of Year 2: 30% End of Year 3: 40%	The options shall vest over a period of 1 to 3 years from the date of grant. End of Year 1: 30% End of Year 2: 30% End of Year 3: 40%	The options shall vest as follows: March 15, 2019: 30% (after adjusting the minimum vesting period completed under the Erstwhile BIL ESOP vis-à-vis the 2015 Options) March 15, 2020: 30% March 15, 2021: 40%
4	The Pricing Formula/ Exercise Price	Closing Market Price of the Company's equity share on the Stock Exchange which has highest trading volumes, on the day prior to the date of grant of Options.	Closing Market Price of the Company's equity share on the Stock Exchange which has highest trading volumes, on the day prior to the date of grant of Options.	The Exercise Price shall be equal to face value of shares i.e. ₹2/- per option.	Closing Market Price of the Company's equity share on the Stock Exchange which has highest trading volumes, on the day prior to the date of grant of Options.	₹3.10 per share
5	Maximum term of Options granted (years)	a. For Vested Options: Maxium period of 3 years from the date of grants. b. For Excerise of Options: Maxium period of 5 years from the date of vesting of options granted.	a. For Vested Options: Maxium period of 3 years from the date of grants. b. For Excerise of Options: Maxium period of 5 years from the date of vesting of options granted.	a. For Vested Options: Maxium period of 3 years from the date of grants. b. For Excerise of Options: Maxium period of 5 years from the date of vesting of options granted.	a. For Vested Options: Maxium period of 3 years from the date of grants. b. For Excerise of Options: Maxium period of 5 years from the date of vesting of options granted.	a. For Vested Options: Maxium period of 3 years from the date of grants. b. For Excerise of Options: Maxium period of 4 years from the date of vesting of options granted.
6	Method of Settlement	All options granted would be settled in Equity Shares in the ratio of 1:1				

Sr. No.	Particulars	ESOP 2004 Scheme	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme*
7	Source of shares	These Schemes use both new issue of shares by the Company ("Primary Shares") as well as secondary acquisition of shares ("Secondary Shares") by the Trust as source of shares for implementation.				Primary allotment to the option holders.
8	Variation in terms of ESOP	Nil				

#The total number of options approved under each scheme has been adjusted for subsequent share splits and bonus issues for better understanding of the shareholders.

* The ESOP 2019 Scheme has been framed under the authority of the composite Scheme of Arrangement ("Scheme") in connection with merger of erstwhile Birlasoft (India) Limited ("Transferor Company") with Birlasoft Limited (erstwhile KPIT Technologies Limited) ("Transferee Company") ("Merger"). Prior to the Merger, the Transferor Company had implemented the 'Birlasoft (India) Limited - Employee Stock Option Plan 2015' ("ESOP 2015") under which employee stock options ("2015 Options") were granted to certain of its eligible employees ("Old Option-holders"). As per the terms of the Scheme, ESOP 2015 and the 2015 Options were to be cancelled immediately upon the effectiveness of the Merger in accordance with the Scheme and in lieu of the 2015 Options, the Transferee Company shall issue such number of stock options not exceeding 2.08% of the paid-up share capital of the Transferee Company on a post-Merger fully diluted basis to the Old Option-holders on terms and conditions not less favourable than the terms and conditions of ESOP 2015. Thus, towards this end, the Company has adopted this ESOP 2019 in order to grant Options to the Old Option-holders as a measure of fair and reasonable adjustment to the 2015 Options which stand cancelled with effect from the effective date of the Merger in accordance with the Scheme. All the terms and conditions of ESOP 2019 to the extent required under the Scheme read with provisions of Applicable Law have been made identical with that of the ESOP 2015.

Sr. No.	Particulars	ESOP 2004 Scheme		ESOP 2006 Scheme		ESOP 2014 Scheme		ESOP 2015 Scheme		ESOP 2019 Scheme*	
		No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price
II.	**Option Movement during the year ended March 2019**										
1	No. of Options Outstanding at the beginning of the year	153,938	70.60	3,102,423	95.53	135,000	2.00	989,050	106.76	0	0.00
2	Options Granted during the year	0	0.00	0	0.00	0	0.00	0	0.00	4,769,246#	3.10
3	Options Forfeited/ Surrendered during the year	0	0.00	73,935	95.91	0	0.00	46,300	115.58	16,108	3.10
4	Options Lapsed during the year	40,508	70.60	68,900	88.95	0	0.00	0	0.00	0	0.00
5	Options Exercised during the year	113,430	70.60	1,729,938	93.98	105,000	2.00	394,950	105.44	0	0.00
6	Total number of shares arising as a result of exercise of options	113,430	0.00	1,729,938	0.00	105,000	0.00	394,950	0.00	0	0.00
7	Money realised by exercise of options (₹)	8,008,158	0.00	162,577,894	0.00	210,000	0.00	41,643,815	0.00	0	0.00
8	Number of options Outstanding at the end of the year	0	0.00	1,229,650	55.54	30,000	2.00	547,800	60.58	4,753,138	3.10

Sr. No.	Particulars	ESOP 2004 Scheme		ESOP 2006 Scheme		ESOP 2014 Scheme		ESOP 2015 Scheme		ESOP 2019 Scheme*	
		No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price
9	Number of Options vested & exercisable at the end of the year	0	0.00	12,29,650	55.54	30,000	2.00	4,92,800	59.07	14,25,921	3.10
	* The weighted average share price of the options exercised under Employee Stock Option Scheme 2019 on the date of exercise during the year was Nil.										
	#Total number of options approved during the year is 4,769,269 and total number of options granted during the year is 47,69,246. The difference of 21 options is due to the fractions created by applying the swap ratio.										
	Option Movement during the year ended March 2018										
1	No. of Options Outstanding at the beginning of the year	2,47,020	70.60	4,685,172	92.48	150,000	2.00	965,150	103.70	0	0.00
2	Options Granted during the year	0	0.00	0	0.00	0	0.00	110,000	131.20	0	0.00
3	Options Forfeited/ Surrendered during the year	12,214	70.60	250,642	102.18	0	0.00	58,150	103.70	0	0.00
4	Options Lapsed during the year	8,842	70.60	126,430	75.03	0	0.00	0	0.00	0	0.00
5	Options Exercised during the year	72,026	70.60	1,205,677	84.43	15,000	2.00	27,950	103.70	0	0.00
6	Total number of shares arising as a result of exercise of options	72,026	0.00	1,205,677	0.00	15,000	0.00	27,950	0.00	0	0.00
7	Money realised by exercise of options (₹)	5,085,036	0.00	101,795,309	0.00	30,000	0.00	2,898,415	0.00	0	0.00
8	Number of options Outstanding at the end of the year	153,938	70.60	3,102,423	95.53	135,000	2.00	989,050	106.76	0	0.00
9	Number of Options vested & exercisable at the end of the year	153,938	70.60	2,225,423	92.27	111,000	2.00	516,250	103.70	0	0.00

Sr. No.	Particulars	ESOP 2004 Scheme	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme*
III.	Diluted Earnings Per Share pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20	13.38				
	Method of Accounting	Fair Value Method in accordance with Ind-AS 102: share based payment				

Sr. No.	Particulars	ESOP 2004 Scheme	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme*
IV	**Weighted average Fair Value of Options granted during the year ended March 2019 whose:**					
(a)	Exercise price equals market price	0.00	0.00	0.00	0.00	0.00
(b)	Exercise price is greater than market price	0.00	0.00	0.00	0.00	0.00
(c)	Exercise price is less than market price	0.00	0.00	0.00	0.00	91.54
	Weighted average Fair Value of Options granted during the year ended March 2018 whose:					
(a)	Exercise price equals market price	0.00	0.00	0.00	48.98	0.00
(b)	Exercise price is greater than market price	0.00	0.00	0.00	0.00	0.00
(c)	Exercise price is less than market price	0.00	0.00	0.00	0.00	0.00

Sr. No.	Particulars	ESOP 2004 Scheme	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme*
V	The weighted average market price of options exercised during the year ended March 2019	275.28	244.32	270.85	232.55	0.00
	The weighted average market price of options exercised during the year ended March 2018	178.93	168.65	121.85	212.50	0.00

Sr. No.	Particulars	ESOP 2004 Scheme		ESOP 2006 Scheme		ESOP 2014 Scheme		ESOP 2015 Scheme		ESOP 2019 Scheme*	
VI	**Employee-wise details of options granted during the financial year 2018-19 to:**										
(i)	**Senior managerial personnel**										
Sr. No.	Name of employee	No. of Options granted	Exercise Price (₹)	No. of Options granted	Exercise Price (₹)	No. of Options granted	Exercise Price (₹)	No. of Options granted	Exercise Price (₹)	No. of Options granted	Exercise Price (₹)
1	Anjan Lahiri	0	0.00	0	0.00	0	0.00	0	0.00	1,767,742	3.10
2	Dharmander Kapoor	0	0.00	0	0.00	0	0.00	0	0.00	1,010,138	3.10
3	Samit Deb	0	0.00	0	0.00	0	0.00	0	0.00	606,080	3.10
4	Padiyath Gopinathan	0	0.00	0	0.00	0	0.00	0	0.00	183,633	3.10
5	Vivek Kaushik	0	0.00	0	0.00	0	0.00	0	0.00	167,525	3.10
6	Adavikolanu Venkatarama Bheemeshwar Rao	0	0.00	0	0.00	0	0.00	0	0.00	122,422	3.10
7	Nitesh Mirchandani	0	0.00	0	0.00	0	0.00	0	0.00	86,984	3.10
8	Sanjay Chaswal	0	0.00	0	0.00	0	0.00	0	0.00	86,984	3.10
9	Sanjay Bajaj	0	0.00	0	0.00	0	0.00	0	0.00	56,378	3.10
10	Madan Mohan Mewari	0	0.00	0	0.00	0	0.00	0	0.00	56,378	3.10
11	Deepak Dobriyal	0	0.00	0	0.00	0	0.00	0	0.00	49,935	3.10
12	Sathe Milind	0	0.00	0	0.00	0	0.00	0	0.00	38,659	3.10
13	Ajit Singh Chawla	0	0.00	0	0.00	0	0.00	0	0.00	37,048	3.10
14	Aditya Suresh Dikshit	0	0.00	0	0.00	0	0.00	0	0.00	37,048	3.10
15	Jang Bahadur	0	0.00	0	0.00	0	0.00	0	0.00	32,216	3.10
16	Raghu Seetharam Rao	0	0.00	0	0.00	0	0.00	0	0.00	32,216	3.10

	Name of employee	No. of Options granted	Exercise Price (₹)	No. of Options granted	Exercise Price (₹)	No. of Options granted	Exercise Price (₹)	No. of Options granted	Exercise Price (₹)	No. of Options granted	Exercise Price (₹)
17	Mukul Singhal	0	0.00	0	0.00	0	0.00	0	0.00	30,605	3.10
18	Amit Parvatkar	0	0.00	0	0.00	0	0.00	0	0.00	27,383	3.10
19	Kapil Khanna	0	0.00	0	0.00	0	0.00	0	0.00	27,383	3.10
20	Gaurav Misra	0	0.00	0	0.00	0	0.00	0	0.00	25,773	3.10
21	Manoj Garde	0	0.00	0	0.00	0	0.00	0	0.00	22,551	3.10
22	Kathuria Ambuj	0	0.00	0	0.00	0	0.00	0	0.00	20,940	3.10
23	Uday Kumar	0	0.00	0	0.00	0	0.00	0	0.00	19,329	3.10
24	Mozumdar Animesh	0	0.00	0	0.00	0	0.00	0	0.00	19,329	3.10
25	Desai Sandeep	0	0.00	0	0.00	0	0.00	0	0.00	19,329	3.10
26	Kirankumar Chirra	0	0.00	0	0.00	0	0.00	0	0.00	16,108	3.10
27	Nageshwar Kondoju	0	0.00	0	0.00	0	0.00	0	0.00	16,108	3.10
28	Rajan Kashyap	0	0.00	0	0.00	0	0.00	0	0.00	16,108	3.10
29	Sharma Arvind Kumar	0	0.00	0	0.00	0	0.00	0	0.00	16,108	3.10
30	Varshney Shashank	0	0.00	0	0.00	0	0.00	0	0.00	16,108	3.10
31	Raihan Shahzada	0	0.00	0	0.00	0	0.00	0	0.00	16,108	3.10
32	Shobhan Mahapatra	0	0.00	0	0.00	0	0.00	0	0.00	12,886	3.10
33	Poonam Jindgar	0	0.00	0	0.00	0	0.00	0	0.00	12,886	3.10
34	Ramgopal Mudigonda	0	0.00	0	0.00	0	0.00	0	0.00	11,275	3.10
35	Sanjay Sircar	0	0.00	0	0.00	0	0.00	0	0.00	11,275	3.10
36	Sundaram Janardhanam	0	0.00	0	0.00	0	0.00	0	0.00	9,664	3.10
37	Shephali Sharma	0	0.00	0	0.00	0	0.00	0	0.00	8,054	3.10
38	Neha Aggarwal	0	0.00	0	0.00	0	0.00	0	0.00	8,054	3.10
39	Samir Mathur	0	0.00	0	0.00	0	0.00	0	0.00	4,832	3.10
40	Tej Sarup	0	0.00	0	0.00	0	0.00	0	0.00	4,832	3.10
41	Bipin Sajwan	0	0.00	0	0.00	0	0.00	0	0.00	4,832	3.10

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

Sr. No.	Name of employee	No. of Options granted	No. of Options granted	No. of Options granted	No. of Options granted	No. of Options granted
(a)	Anjan Lahiri	0	0	0	0	1,767,742
(b)	Dharmander Kapoor	0	0	0	0	1,010,138
(c)	Samit Deb	0	0	0	0	606,080

(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

Sr. No.	Name of employee	No. of Options granted	No. of Options granted	No. of Options granted	No. of Options granted	No. of Options granted
	None of the employees were granted 1% or more of the issued capital of the Company at the time of grant during the year					

Sr. No.	Particulars	ESOP 2004 Scheme	ESOP 2006 Scheme	ESOP 2014 Scheme	ESOP 2015 Scheme	ESOP 2019 Scheme*
VII	**Method and Assumptions used to estimate the fair value of options granted during the year ended March 2019:**					
	The fair value has been calculated using the Black Scholes Option Pricing model					
	The Assumptions used in the model are as follows:					
	Variables	Weighted Average	Weighted Average	Weighted Average	Weighted Average	Weighted Average
1	Risk Free Interest Rate (%)	0.00	0.00	0.00	0.00	6.93
2	Expected Life (in years)	0.00	0.00	0.00	0.00	3.17
3	Expected Volatility (%)	0.00	0.00	0.00	0.00	48.29
4	Dividend Yield (%)	0.00	0.00	0.00	0.00	2.37
5	Exercise Price (₹)	0.00	0.00	0.00	0.00	3.10
6	Price of the underlying share in market at the time of the option grant.(₹)	0.00	0.00	0.00	0.00	101.35

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*:**

(₹ In million)

Sr. No.	Particulars	31-Mar-19	31-Mar-18
1	Employee Option plan expense	39.88	29.22
2	Total liability at the end of the period	360.93	197.98

* Please note, expense for current year includes ₹4.55 million (Previous year 12.04 million) towards discontinued operations.

IX **Details related to Trust:**

Consequent upon the merger of Birlasoft (India) Limited with the Company, the KPIT Technologies Employees Welfare Trust has been transferred to KPIT Engineering Limited (renamed as KPIT Technologies Limited). Hence, the details related to the Trust are not applicable to the Company.

For and on behalf of the Board of Directors

Amita Birla
Chairman

Delhi
May 24, 2019

Annexure 5

Nomination and Remuneration Policy

OBJECTIVE

The HR & Compensation (Nomination and Remuneration) Committee of Birlasoft Limited ("Company") will be a Board Committee and shall broadly play a dual role of

- Identifying 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;
- Ensuring the Companies compensation packages and other human resource practices are effective in maintaining a competent workforce and make recommendations relating to compensation of the Managing Director, Whole time Directors and the senior management of the Company from time to time
- Specifying the manner for effective evaluation of the performance of the members of the Board, the Board as a whole and Committees thereof, and review its implementation and compliance.

CONSTITUTION

The Committee shall comprise of at least three Directors, all of whom shall be non-executive directors and at least half shall be Independent Directors, the Chairperson being an Independent Director. The Chairperson of the Company (whether or not a non-executive director) may be a member of the Committee but shall not chair such Committee, The Chairperson of this Committee or in case of his absence, any other person authorised by him shall attend the general meetings of the Company. The Committee may meet, convene and conduct Committee meetings through video conferencing or audio visual means, as may be provided by the Company.

MEANING OF TERMS USED

a. "Act" means the Companies Act, 2013 including the rules, schedules, clarifications and guidelines issued by the Ministry of Corporate Affairs from time to time

b. "Board" refers to Board of Directors of Birlasoft Limited

c. "Company" refers to Birlasoft Limited pursuant to this Policy.

d. "Rules" means Companies (Meetings of Board) Rules, 2014 including any modifications or amendments thereof).

e. "Senior Management Personnel" shall mean officers/ personnel of the Company who are members of its core management team excluding board of directors and shall comprise all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/ manager, in case they are not part of the Board) as may be decided by the Company from time to time, and shall specifically include company secretary and chief financial officer.

Words and expressions used and not defined in these rules but defined in the Act shall have the same meanings respectively assigned to them in the Act.

ROLE AND RESPONSIBILITIES

The role and responsibility of the Committee shall be to undertake specific duties listed below and it will have the authority to undertake such other specific duties as the Board prescribes from time to time. The below mentioned roles and responsibilities are derived from the terms of reference of the Committee as determined and approved by the Board.

Specific responsibilities of the committee include:

1. Criteria for appointment as a Director

   The Committee shall formulate criteria for determining qualifications, skills, expertise, qualities, positive attributes required to be a Director of the Company. The criteria to be formulated will be beneficial to the Company and also take into consideration the qualities and expertise essential for the Company to operate going forward in a changing business environment. The Committee shall develop and recommend to the Board for its approval, criteria to be considered for nomination/appointment of a Director.

2. **Identification and nomination of persons who are qualified to be Directors**
   The Committee shall identify persons who are qualified to become Directors and who satisfy the criteria laid down. The process of identification shall include ascertaining, meeting, screening and reviewing candidates for appointment as Directors, whether Independent, Non-Executive or Executive. The existing Directors who continue to satisfy the Criteria may also be considered by the Committee for re-appointment.

   The Committee on satisfaction of a potential candidate meeting the Criteria and having completed the identification and selection process, will recommend such persons' candidature to the Board for appointment as a Non- Executive Director or Independent Director or Executive Director, as the case may be.

   The Committee may recommend the candidates to the Board when:

   - Any vacancy in the Board is required to be filled due to retirement or resignation or
   - Any vacancy arises out of annual Board performance evaluation or
   - Any vacancy arises as a result of end of tenure in accordance with the Act, Rules and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 or
   - Any change is required in the Board on account of diversity
   - Any change is required by law

3. **Approval of criteria, identification of persons and nomination of candidates required for senior management positions**
   The Committee shall lay down criteria including qualifications, skills, expertise and qualities required for senior management positions like Managing Director & CEO, Chief Financial Officer and Company Secretary and members of the Executive Council of the Company. The Committee shall play a consultative role to Board and make recommendations to the Board regarding the appointments, removal and changes to the senior management positions of the Company.

4. **Evaluation of the performance of the Board**
   The Committee shall determine a process for evaluating the performance of every Director, Committees of the Board and the Board on an annual basis. The Committee shall also review its own performance on an annual basis. The Committee may seek the support and guidance of external experts and agencies for this purpose.

   The Committee may evaluate the directors on following factors:-

   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 behaviour and judgment, and

   f) Impact and influence.

5. **Compensation and evaluate the performance of the Managing Director and/or Whole-time Director and the Executive Director**
   The Committee shall recommend to the Board the compensation package of the Managing Director, Whole-time Director/s and Executive Director/s on evaluation of performance in light of the short term and long term goals of the Company and overall performance of the Company. The Committee shall also ensure that the compensation packages are in accordance with applicable law, in line with the Company's objectives, shareholders' interests, with industry standards and have an adequate balance between fixed and variable component.

   Reimbursement of expenses:
   The Directors shall be reimbursed with the expenses in connection with Board and committee meetings.

6. **Compensation of Senior Management**
   The Committee shall evaluate the performance of the senior management of the Company, i.e., the members of the Executive Council of the Company, as presented by the Managing Director & CEO. The Committee shall also provide an overview of the remuneration payable

to Key Managerial Persons as defined under the Act and senior management of the Company. The Committee shall ensure that the remuneration to the Key Managerial Persons and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

7. Payments to the Non-Executive Directors

Commission:

The Committee shall determine the Commission payable to the Non-Executive Directors after taking into account their contribution and participation as chairman/ member to the decision making at meetings of the Board/Committees well as providing strategic inputs and supporting highest level of Corporate Governance and Board effectiveness. It shall be within the overall limits fixed by the shareholders of the Company.

Sitting Fees:

The Non- Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act for per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Reimbursement of expenses:

The Non-Executive Directors shall be reimbursed with the expenses in connection with Board and committee meetings.

8. Provisions for excess remuneration

If any Director draws or receives, directly or indirectly by way of remuneration any such sum in excess of the limits prescribed under the Act or without approval as may be required under the Act, he/she shall refund such sum to the Company within a period of two years or such lessor period as may be specified by the Board, and until such sum is refunded, hold it in trust for the Company.

9. Deviation from The Policy

The Board may, in individual or collective case, deviate from this Policy, in its absolute discretion, if there are particular reasons to do so. In the event of any departure from the Policy, the Board shall record the reasons for such departure in the Board's minutes.

POWERS OF THE COMMITTEE

The Committee shall have inter-alia following powers:

- Conduct studies or authorise studies of issues within the scope of the Committee and will have access to necessary books, records, facilities and personnel of the Company
- Retain or seek advice of consultants and experts for performance of their role under this Policy and the costs relating thereto shall be borne by the Company.
- Delegate its powers or form sub-committees to perform any of its functions or role under this Policy, subject to approval of the Board.

MEETINGS

The Committee shall meet at such frequency as it may deem appropriate. Minutes of the meeting shall be circulated to the Committee. The Committee shall report to the Board regarding its actions and make necessary recommendations to the Board. The Committee shall be governed by the same rules regarding meetings as are applicable to the Board.

MINUTES

The committee will maintain written minutes of its meetings, including formal telephonic meetings, which will be filed with the minutes of the meetings of the Board.

AMENDMENTS TO THE POLICY

The Board of Directors on its own and/or as per the recommendations of the Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Annexure 6

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 arrangements 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 as advances, if any:
(a)	(b)	(c)	(d)	(e)	(f)
1. Birlasoft Solutions Inc (Formerly KPIT Infosystems Incorporated, USA) **(KPIT, US)** [Wholly Owned Subsidiary of Birlasoft Limited (Formerly KPIT Technologies Limited, India)]	Contract for providing off-shore software development and consultancy services to **KPIT US**	Contract shall be effective from April 01, 2016 and shall remain valid until terminated by either party by giving 45 days' notice to other party.	- **Birlasoft Limited** will carry out the software development and consultancy work as per the requirements of **KPIT US**; - **KPIT US** will pay to **Birlasoft Limited** 95% of the fees that is due to KPIT US, under its contract with the end customer for provision of such services.	Not required Contract was entered into in ordinary course of business and therefore approval by the Board was not required.	NIL
2. KPIT Technologies (UK) Limited (KPIT UK) (Jointly controlled entity)	Contract for providing off-shore software development and consultancy services to **KPIT UK**	Contract shall be effective from April 01, 2016 and shall remain valid until terminated by either party by giving 45 days' notice to other party.	- **Birlasoft Limited** will carry out the software development and consultancy work as per the requirements of **KPIT UK**; - **KPIT UK** will pay to **Birlasoft Limited** 88% of the fees that is due to **KPIT UK**, under its contract with the end customer for provision of such services.	Not required Contract was entered in to in ordinary course of business and therefore approval by the Board was not required.	NIL
KPIT Technologies GmbH (KPIT Germany) (Jointly controlled entity)	Contract for providing off-shore software development and consultancy services to **KPIT Germany**	Contract shall be effective from April 01, 2016 and shall remain valid until terminated by either party by giving 45 days' notice to other party.	- **Birlasoft Limited** will carry out the software development and consultancy work as per the requirements of **KPIT Germany**; - **KPIT Germany** will pay to **Birlasoft Limited** 88% of the fees that is due to KPIT Germany, under its contract with the end customer for provision of such services.	Not required Contract was entered in to in ordinary course of business and therefore approval by the Board was not required	NIL

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
(a)	(b)	(c)	(d)	(e)	(f)
KPIT Technologies Inc (KPIT Tech US) (Jointly Controlled entity)	Contract for providing off-shore software development and consultancy services to **KPIT Tech US**	Contract shall be effective from October 01, 2018 and shall remain valid until terminated by either party by giving 45 days' notice to other party.	- **Birlasoft Limited** will carry out the software development and consultancy work as per the requirements of **KPIT Tech US**; - **KPIT Tech US** will pay to **Birlasoft Limited** 95% of the fees that is due to **KPIT Tech US**, under its contract with the end customer for provision of such services.	Not required Contract was entered in to in ordinary course of business and therefore approval by the Board was not required.	NIL
Sparta Consulting Inc (Sparta US) [Wholly Owned Subsidiary of **Birlasoft Solutions Inc** (Formerly KPIT Infosystems Incorporated, USA)]	Contract for providing off-shore software development and consultancy services to **Sparta US**	Contract shall be effective from April 01, 2016 and shall remain valid until terminated by either party by giving 45 days' notice to other party.	- **Birlasoft Limited** will carry out the software development and consultancy work as per the requirements of **Sparta US**; - **Sparta US** will pay to **Birlasoft Limited** 95% of the fees that is due to **Sparta US**, under its contract with the end customer for provision of such services.	Not required Contract was entered in to in ordinary course of business and therefore approval by the Board was not required.	NIL
Birlasoft Computer Corporation, USA (Formerly **SYSTIME Computer Corporation, USA) (SYSTIME US)** [Wholly Owned Subsidiary of **Birlasoft Limited** (Formerly KPIT Technologies Limited, India)]	Contract for providing off-shore software development and consultancy services to **SYSTIME US**	Contract shall be effective from April 01, 2016 and shall remain valid until terminated by either party by giving 45 days' notice to other party.	- **Birlasoft Limited** will carry out the software development and consultancy work as per the requirements of **SYSTIME US**; - **SYSTIME US** will pay to **Birlasoft Limited** 95% of the fees that is due to **SYSTIME US**, under its contract with the end customer for provision of such services.	Not required Contract was entered in to in ordinary course of business and therefore approval by the Board was not required	NIL
Birlasoft Inc [Wholly Owned Subsidiary of **Birlasoft Limited** (Formerly KPIT Technologies Limited, India)]	Contract for providing off-shore software development and consultancy services to **Birlasoft Inc**	Contract shall be effective from January 15, 2019 and shall remain valid until terminated by either party by giving 30 days' notice to other party.	- **Birlasoft Limited** will carry out the software development and consultancy work as per the requirements of **Birlasoft Inc**; - **Birlasoft Inc** will pay to **Birlasoft Limited** 91% of the fees that is due to **Birlasoft Inc**, under its contract with the end customer for provision of such services.	Not required Contract was entered in to in ordinary course of business and therefore approval by the Board was not required.	NIL

For and on behalf of the Board of Directors

Delhi
May 24, 2019

Amita Birla
Chairman

Annexure 7

Annual Report on Corporate Social Responsibility (CSR) Activities

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

   The Company has a strong social commitment to the community around it. This commitment is both fulfilled by employee participation and financial contribution. The Company seek to focus on a few areas of social initiatives, where it believes, through technology, the speed of innovation and employee participation, it can add significant value to the community world-wide. (https://www.birlasoft.com/company/investors/corporate-governance).

   During the year, the Company has undertaken following projects:

   1) Water Conservation Program
   2) Zero Garbage Project
   3) Chhote Scientists
   4) Teach for India
   5) Smart India HACKATHON
   6) Shodhan
   7) Avartan Gurukul Project
   8) Healthcare

2. The composition of the CSR Committee: The Committee consists of three members including 2 Independent Director as below:

Sr. No.	Name of the Committee Member	Nature of Directorship in the Company
1	Mrs. Amita Birla (Chairman)	Non - Executive Director
2	Ms. Nandita Gurjar (Member)	Independent Director
3	Mr. Anant Talaulicar (Member)	Independent Director

3. Average net profit of the Company for the last three financial years: ₹2,149,510,000/-

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹43,000,000/-

5. Details of CSR spent during the financial year:

a. Total amount to be spent in the financial year: 42,990,000

b. Amount unspent if any: N.A.

c. Manner in which the amount spent during the financial year is detailed below:

(1) Sr. No.	(2) CSR project or activity identified	(3) Sector in which the project is covered	(4) Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	(5) Amount outlay (budget) project or program wise	(6) Amount spent on the projects or programs Sub-heads: 1. Direct expenditure on projects or programs. 2.Overheads	(7) Cumulative expenditure up to the reporting period	(8) Amount spent: Direct or through implementing agency
1	Water Conservation Program	Environmental sustainability	Pune (Maharashtra)	1,200,000	1,200,000	1,200,000	Agency: In Association with Jnana Prabodhini
2	Zero Garbage Project	Ecological balance	Pune (Maharashtra)	1,000,000	1,000,000	1,000,000	Agency: In Association with Janwani
3	E Waste Collection & Disposal Drive	Ecological balance	Pune (Maharashtra)	10,000	10,000	10,000	Poornam Eco Vision Foundation
4	Conservation of Private Forests in Koyna-Chandoli Corridor	Ecological balance	Pune (Maharashtra)	1,000,000	1,000,000	1,000,000	Agency: In Association with Wildlife Research & Conversation Society
5	Chhote Scientists	Promoting education	Pune (Maharashtra)	2,950,000	2,950,000	2,950,000	Agency: In Association with Jnana Prabodhini
6	Teaching Classes at Thayimane, Bangalore	Promoting education	Bangalore (Karnataka)	200,000	200,000	200,000	Agency: In Association with Shri Vidya Vikas Kendra
7	Teach For India	Promoting education	Pune (Maharashtra)	500,000	500,000	500,000	Agency: In Association with Teach for India
8	Lila Poonawalla Girls Education program	Promoting education & women empowerment	Pune (Maharashtra)	750,000	750,000	750,000	Agency: In Association with Lila Poonawalla foundation
9	Technostav : A Technology Festival	Promoting education	Jammu & Kashmir	44,000	44,000	44,000	Agency: In Association with Technostav ,Jammu
10	Suyash Charitable Trust	Promoting education	Pune (Maharashtra)	120,000	120,000	120,000	Agency: In Association with Suyash Charitable Trust
11	Smart India HACKATHON 17	Promoting education	Pune (Maharashtra)	1,000,000	1,000,000	1,000,000	Agency: In Association with I4C
12	Navkshitij	Special education for differently abled	Pune (Maharashtra)	10,000	10,000	10,000	Agency: In Association with Navkshitij

(1) Sr. No.	(2) CSR project or activity identified	(3) Sector in which the project is covered	(4) Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	(5) Amount outlay (budget) project or program wise	(6) Amount spent on the projects or programs Sub-heads: 1. Direct expenditure on projects or programs. 2.Overheads	(7) Cumulative expenditure up to the reporting period	(8) Amount spent: Direct or through implementing agency
13	Donation to Maharashtra State Lawn Tennis Association	Training to promote Olympic Sports	Pune (Maharashtra)	5,740,000	5,740,000	5,740,000	Agency: In Association with MSLTA
14	KPIT Better World	Ecological balance	Pune (Maharashtra)	234,000	234,000	234,000	Direct
15	Avartan Gurukul Project	Protection of Art & Culture	Pune (Maharashtra)	600,000	600,000	600,000	Agency: In Association with Avartan Gurukul
16	Kerala Flood Relief Fund	Ecological balance	Kerala	500,000	500,000	500,000	Agency: In Association with Deseeya Seva Bharathi Keralam
17	Abhiyantriki Mahavidyalay Vidyarthi Sahayyak Sanstha's students scholarship Program	Promoting education	Pune (Maharashtra)	300,000	300,000	300,000	Agency: In Association with AMVSS, Pune
18	Torna Rajgad Parisar Samajonati Nyas	Promoting education	Pune (Maharashtra)	20,000	20,000	20,000	Agency: In Association with Torna Rajgad Parisar Samajonati Nyas
19	Shodhan	Environmental Sustainability	Jasso Majra, Ageti and Samana in Patiala , (Punjab)	12,087,800	12,087,800	12,087,800	Agency : CII Foundation
20	e-vidya	Promoting education and Vocational skill development	Rajkiya Inter college, Sector 51, Noida (Uttar Pradesh)	879,611	879,611	879,611	Agency : DEHAT (Developmental Association For Human Advancement)
21	Healthcare	Promoting preventive healthcare	Calcutta (West Bengal)	14,274,175	14,274,175	14,274,175	Agency : CMRI (The Calcutta Medical Research Institute)
	TOTAL			**43,419,586**	**43,419,586**	**43,419,586**	

6. We hereby affirm that the CSR policy, as approved by the Board, has been implemented and the CSR committee monitors the implementation of the CSR projects and activities in compliance with our CSR objectives and CSR policy.

For and on behalf of the Board of Directors

Delhi
May 24, 2019

Amita Birla
Chairman of CSR Committee

Anjan Lahiri
Managing Director & CEO

Annexure 8

Form No. MGT-9
Extract of Annual Return

as on the financial year ended on March 31, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:-	L72200PN1990PLC059594
ii)	Registration Date:-	December 28, 1990
iii)	Name of the Company:-	Birlasoft Limited
iv)	Category/Sub-Category of the Company:-	Public Company/Limited by shares
v)	Address of the Registered office and contact details:-	35 & 36, Rajiv Gandhi Infotech Park, Phase – I, MIDC, Hinjawadi, Pune – 411057, Maharashtra, India. Telephone:- +91-20-66525000 Fax:- +91-20-66525001
vi)	Whether listed company:-	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any:-	Link Intime India Private Limited Block No. 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road, Pune – 411001. Telephone:- +91-20-26160084/26161629 Fax:- +91-20-26163503

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sr. No.	Name and description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1	Computer programming, consultancy and related activities	62011	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of the shares held	Applicable Section
1	KPIT Infosystems Ltd. (UK) The Annexe Hurst Grove, Sandford Lane, Hurst, Berkshire RG10 0SQ, UK.	N.A.	Subsidiary	100	2(87)(ii)
2	Birlasoft (UK) Limited 4th Floor 53-54 Grosvenor Street London W1K 3HU	N.A.	Step-down Subsidiary of Birlasoft Inc.	100	2(87)(ii)

Sr. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of the shares held	Applicable Section
3	KPIT Technologies France 10 Avenue Franklin D Roosevelt 75008, Paris, France.	N.A.	Subsidiary	100	2(87)(ii)
4	KPIT Solutions GmbH Detmolder Straße 235, 33605, Bielefeld, Germany.	N.A.	Step-down Subsidiary of KPIT Infosystems Limited (UK)	100	2(87)(ii)
5	Birlasoft GmbH Kapellenstrabe 47, 65830 Kriftel, Germany	N.A.	Step-down Subsidiary of Birlasoft (UK) Limited	100	2(87)(ii)
6	Birlasoft Solutions Inc. 399, Thornall Street, Edison, NJ 08837, USA.	N.A.	Subsidiary	100	2(87)(ii)
7	Birlasoft Inc. 399, Thornall Street, 8th Floor, Edison, NJ 08837	N.A.	Subsidiary	100	2(87)(ii)
8	Enable Path LLC 399, Thornall Street, 8th Floor, Edison, NJ 08837	N.A.	Step-down Subsidiary of Birlasoft Inc.	100	2(87)(ii)
9	Birlasoft Technologies Canada Corporation 8120-128 Street, Surrey BC V3W 1R1, Canada	N.A.	Step-down Subsidiary of Birlasoft Computer Corporation, USA	100	2(87)(ii)
10	Birlasoft Computer Corporation 111, Woodmere Road, Suite 200, Folsom, California 95630, USA.	N.A.	Subsidiary	100	2(87)(ii)
11	KPIT Technologies Soluções em Informática Ltda. Alameda Santos, 1165 – 10ª andar – Cerqueira Cesar 01419-002 – São Paulo/SP	N.A.	Step-down Subsidiary of Birlasoft Solutions Inc.	100	2(87)(ii)
12	Sparta Consulting Inc. 111, Woodmere Road, Suite 200, Folsom, California 95630, USA.	N.A.	Step-down Subsidiary of Birlasoft Solutions Inc.	100	2(87)(ii)
13	KPIT Infosystems Mexico S.A. DE C.V. Río Duero 31, Col. Cuauhtémoc Del. Cuauhtémoc Mexico City ZP 06500	N.A.	Step-down Subsidiary of Birlasoft Solutions Inc.	100	2(87)(ii)
14	Birlasoft Sdn Bhd Level 32, Menara Allianz Sentral 203 Jalan Tun Sambanthan 50470, Kuala Lumpur Wilayah Persekutuan, Malaysia.	N.A.	Subsidiary	100	2(87)(ii)
15	KPIT Infosystems ME FZE Dubai Airport Free Zone Area, West Wing 2, Office 2W113, P.O. Box: 54931, Dubai, UAE.	N.A.	Subsidiary	100	2(87)(ii)

IV. SHARE HOLDING PATTERN:

i) Category-wise shareholding

Sr. No.	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A	PROMOTERS									
(1)	INDIAN									
a	Individual/HUF	8,440,430	0	8,440,430	4.27	5,640,430	0	5,640,430	2.06	(2.22)
b	Central Government	0	0	0	0.00	0	0	0	0.00	-
c	State Government(s)	0	0	0	0.00	0	0	0	0.00	-
d	Bodies Corporate	28,910,692	0	28,910,692	14.64	107,265,355	0	107,265,355	39.13	24.49
e	Bank & FII	0	0	0	0.00	0	0	0	0.00	-
f	Any Other	0	0	0	0.00	0	0	0	0.00	-
	Sub-Total (A)(1)	**37,351,122**	**0**	**37,351,122**	**18.91**	**112,905,785**	**0**	**112,905,785**	**41.18**	**22.27**
(2)	FOREIGN									
a	NRIs - Individuals	40,000	0	40,000	0.02	40,000	0	40,000	0.01	(0.01)
b	Other - Individuals	0	0	0	0.00	0	0	0	0.00	-
c	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	-
d	Banks & FII	0	0	0	0.00	0	0	0	0.00	-
e	Any Other	0	0	0	0.00	0	0	0	0.00	-
	Sub-Total (A)(2)	**40,000**	**0**	**40,000**	**0.02**	**40,000**	**0**	**40,000**	**0.01**	**(0.01)**
	TOTAL SHAREHOLDING OF PROMOTERS (A) = (A)(1) + (A)(2)	**37,391,122**	**0**	**37,391,122**	**18.93**	**112,945,785**	**0**	**112,945,785**	**41.20**	**22.27**
B	PUBLIC SHAREHOLDING									
(1)	Institutions									
a	Mutual Funds	11,705,046	0	11,705,046	5.93	9,540,426	0	9,540,426	3.48	(2.45)
b	Banks/FI	33,584	0	33,584	0.02	182,065	0	182,065	0.07	0.05
c	Central Government	0	0	0	0.00	0	0	0	0.00	-
d	State Government(s)	0	0	0	0.00	0	0	0	0.00	-
e	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	-
f	Insurance Companies	365,000	0	365,000	0.18	261,212	0	261,212	0.10	(0.09)
g	FIIs	0	0	0	0.00	0	0	0	0.00	-
h	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	-
i	Others									
(i)	Foreign Portfolio Investor (Corporate)	91,134,186	0	91,134,186	46.14	92,724,937	0	92,724,937	33.82	(12.32)
(ii)	Foreign Mutual Fund	3,184,394	0	3,184,394	1.61	0	0	0	0.00	(1.61)

Sr. No.	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(iii)	Alternate Investment Funds	195,792	0	195,792	0.10	386,464	0	386,464	0.14	0.04
	Sub-Total (B)(1)	**106,618,002**	**0**	**106,618,002**	**53.98**	**103,095,104**	**0**	**103,095,104**	**37.61**	**(16.38)**
(2)	**Non-Institutions**									
a	Bodies Corporate									
i	Indian	12,086,977	4,000	12,090,977	6.12	9,869,394	3,000	9,872,394	3.60	(2.52)
ii	Overseas	0	0.00	0	0.00	0	0.00	0	0.00	-
b	Individuals									
i	Individual Shareholders holding nominal share capital upto ₹1 lakh	17,801,800	420,735	18,222,535	9.23	21,268,758	361,235	21,629,993	7.89	(1.34)
ii	Individual Shareholders holding nominal share capital in excess of ₹1 lakh	10,395,139	90,000	10,485,139	5.31	10,855,682	90,000	10,945,682	3.99	(1.32)
c	NBFC's registered with RBI	0	0	0	0.00	5,003,220	0	5,003,220	1.83	1.83
d	Others									
i	Clearing Members	751,139	0	751,139	0.83	726,196	0	726,196	0.26	(0.57)
ii	Market Maker	6,541	0	6,541	0.00	23,739	0	23,739	0.01	0.01
iii	Non Resident Indians	2,432,607	0	2,432,607	1.23	2,784,622	0	2,784,622	1.02	(0.21)
iv	Friends & Associates	105,120	433,000	538,120	0.27	88,920	432,000	520,920	0.19	(0.08)
v	Foreign Nationals	147,070	0	147,070	0.07	149,491	0	149,491	0.05	(0.02)
vi	Hindu Undivided Families	659,250	0	659,250	0.33	615,976	0	615,976	0.22	(0.11)
vii	IEPF	165,974	0	165,974	0.08	175,113	0	175,113	0.06	(0.02)
viii	Trusts	5,575	0	5,575	0.00	14,200	0	14,200	0.01	0.01
	Sub-Total (B)(2)	**44,557,192**	**947,735**	**45,504,927**	**23.04**	**51,575,311**	**886,235**	**52,461,546**	**19.14**	**(3.90)**
	Total Public Shareholding (B) = (B)(1) + (B)(2)	**151,175,194**	**947,735**	**152,122,929**	**77.02**	**154,670,415**	**886,235**	**155,556,650**	**56.74**	**(20.28)**
C	**SHARES HELD BY CUSTODIAN FOR ADRs AND GDRs**	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**-**
D	**Non Promoter-Non Public (KPIT Technologies Employees Welfare Trust)**	**7,984,691**	**0**	**7,984,691**	**4.04**	**5,641,373**	**0**	**5,641,373**	**2.06**	**(1.99)**
	GRAND TOTAL (A+B+C+D)	**196,551,007**	**947,735**	**197,498,742**	**100**	**273,257,573**	**886,235**	**274,143,808**	**100**	**-**

ii) Shareholding of Promoters

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% change in shareholding during the year
		No. of shares	% of total shares of the Company	No. of shares pledged	% of shares pledged/ encumbered to total Shares	No. of shares	% of total shares of the Company	No. of shares pledged	% of shares pledged/ encumbered to total Shares	
1	Mr. S. B. (Ravi) Pandit	430,500	0.22	0	0.00	430,500	0.16	0	0.00	(0.06)
2	Ms. Nirmala Pandit	239,000	0.12	0	0.00	239,000	0.09	0	0.00	(0.03)
3	Mr. Chinmay Pandit	38,620	0.02	0	0.00	38,620	0.01	0	0.00	(0.01)
4	Mr. Kishor Patil	2,989,080	1.51	2,435,000	1.23	189,080	0.07	0	0.00	(1.44)
5	Ms. Anupama Patil	122,330	0.06	0	0.00	122,330	0.04	0	0.00	(0.02)
6	Mr. Shrikrishna Patwardhan	1,100,000	0.56	0	0.00	1,100,000	0.40	0	0.00	(0.16)
7	Mr. Ajay Shridhar Bhagwat	2,636,800	1.34	0	0.00	2,636,800	0.96	0	0.00	(0.38)
8	Ms. Ashwini Ajay Bhagwat jointly held with Mr. Ajay Bhagwat	43,300	0.02	0	0.00	43,300	0.02	0	0.00	(0.00)
9	Mr. Sachin Dattatraya Tikekar	840,800	0.43	0	0.00	840,800	0.31	0	0.00	(0.12)
10	Proficient Finstock LLP	28,609,782	14.49	20,117,418	10.19	15,130,949	5.52	24,000	0.01	(8.97)
11	K and P Management Services Private Limited	300,910	0.15	0	0.00	300,910	0.11	0	0.00	(0.04)
12	Ms. Hemlata A Shende	40,000	0.02	0	0.00	40,000	0.01	0	0.00	(0.01)
13	National Engineering Industries Limited	0	0.00	0	0.00	86,663,985	31.61	32,000,000	11.67	31.61
14	Central India Industries Limited	0	0.00	0	0.00	5,169,511	1.89	0	0.00	1.89
		37,391,122	18.93	22,552,418	11.42	112,945,785	41.20	32,024,000	11.68	22.27

iii) Change in Promoters' Shareholding

Sr. No.	For each of the Promoters	Shareholding at the beginning of the Year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. S. B. (Ravi) Pandit				
	At the beginning of the year	430,500	0.22	430,500	0.16
	Increase/Decrease during the year	0	0.00	0	0.00
	At the end of the year			430,500	0.16
2	Ms. Nirmala Pandit				
	At the beginning of the year	239,000	0.12	239,000	0.09
	Increase/Decrease during the year	0	0	0	0.00
	At the end of the year			239,000	0.09
3	Mr. Chinmay Pandit				
	At the beginning of the year	38,620	0.02	38,620	0.01
	Increase/Decrease during the year	0	0.00	0	0.00
	At the end of the year			38,620	0.01
4	Mr. Kishor Patil				
	At the beginning of the year	2,989,080	1.51	2,989,080	1.09
	Increase/Decrease during the year				
	Market Sale on January 24, 2019	-2,800,000	-1.42	189,080	0.07
	At the end of the year			189,080	0.07
5	Ms. Anupama Patil				
	At the beginning of the year	122,330	0.06	122,330	0.04
	Increase/Decrease during the year	0	0.00	0	0.00
	At the end of the year			122,330	0.04
6	Mr. Shrikrishna Patwardhan				
	At the beginning of the year	1,100,000	0.56	1,100,000	0.40
	Increase/Decrease during the year	0	0.00	0	0.00
	At the end of the year			1,100,000	0.40
7	Mr. Ajay Bhagwat				
	At the beginning of the year	2,636,800	1.34	2,636,800	0.96
	Increase/Decrease during the year	0	0.00	0	0.00
	At the end of the year			2,636,800	0.96
8	Ms. Ashwini Bhagwat jointly held with Mr. Ajay Bhagwat				
	At the beginning of the year	43,300	0.02	43,300	0.02
	Increase/Decrease during the year	0	0.00	0	0.00
	At the end of the year			43,300	0.02

Sr. No.	For each of the Promoters	Shareholding at the beginning of the Year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
9	**Mr. Sachin Tikekar**				
	At the beginning of the year	803,800	0.41	803,800	0.29
	Increase/Decrease during the year	37,000	0.02	0	0.00
	At the end of the year			840,800	0.31
10	**Proficient Finstock LLP**				
	At the beginning of the year	28,609,782	14.49	28,609,782	10.44
	Increase/Decrease during the year				
	Off Market trasnfer to National Engineering Industries Limited on on June 6, 2018	-1,478,833	-0.75		
	Market Sale on January 24, 2019	-12,000,000	-6.08	15,130,949	5.52
	At the end of the year			15,130,949	5.52
11	**K and P Management Services Private Limited**				
	At the beginning of the year	300,910	0.15	300,910	0.11
	Increase/Decrease during the year	0	0.00	0	0.00
	At the end of the year			300,910	0.11
12	**Ms. Hemlata Shende**				
	At the beginning of the year	40,000	0.02	40,000	0.01
	Increase/Decrease during the year	0	0.00	0	0.00
	At the end of the year			40,000	0.01
13	**National Engineering Industries Limited**				
	At the beginning of the year	0	0	0	0
	Increase/Decrease during the year				
	Purchase from open market on May 14, 2018	2,408	0.00	2,408	0.00
	Off market transfer from Proficient Finstock LLP on June 6, 2018	1,478,833	0.75	1,481,241	0.54
	Allotment pursuant to Composite Scheme of Arrangement as on January 18, 2019	71,475,555	36.19	72,956,796	26.61
	Market purchase as on January 24, 2019	13,707,189	6.94	86,661,577	31.61
	At the end of the year			86,661,577	31.61
14	**Central India Industries Limited**				
	At the beginning of the year	0	0	0	0
	Increase/Decrease during the year				
	Allotment pursuant to Composite Scheme of Arrangement as on January 18, 2019	5,169,511	2.62	5,169,511	1.89
	At the end of the year			5,169,511	1.89

iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	KPIT Technologies Employees Welfare Trust				
	At the beginning of the year	7,984,691	4.04	7,984,691	2.91
	Increase/Decrease during the year	2,343,318	1.19	5,641,373	2.06
	At the end of the year			5,641,373	2.06
2	Bengal Finance & Investment Pvt. Ltd				
	At the beginning of the year	5,000,000	2.53	5,000,000	1.82
	Increase/Decrease during the year	0	0.00	0	0.00
	At the end of the year			5,000,000	1.82
3	Ashish Kacholia				
	At the beginning of the year	3,525,000	1.78	3,525,000	1.29
	Increase/Decrease during the year	1,474,879	0.75	4,999,879	1.82
	At the end of the year			4,999,879	1.82
4	New Horizon Opportunities Master Fund				
	At the beginning of the year	6,500,000	3.29	6,500,000	2.37
	Increase/Decrease during the year	-1,501,000	-0.76	4,999,000	1.82
	At the end of the year			4,999,000	1.82
5	Acacia Partners, LP				
	At the beginning of the year	4,800,000	2.43	4,800,000	1.75
	Increase/Decrease during the year	0	0.00	0	0.00
	At the end of the year			4,800,000	1.75
6	Acacia Institutional Partners, LP				
	At the beginning of the year	4,597,575	2.33	4,597,575	1.68
	Increase/Decrease during the year	-	0.00	0	0.00
	At the end of the year			4,597,575	1.68
7	Acacia Conservation Fund LP				
	At the beginning of the year	3,430,056	1.74	3,430,056	1.25
	Increase/Decrease during the year	0	0.00	0	0.00
	At the end of the year			3,430,056	1.25
8	ICICI Prudential Life Insurance Company Limited*				
	At the beginning of the year	0	0.00	0	0.00
	Increase/Decrease during the year	3,201,208	1.62	3,201,208	1.17
	At the end of the year			3,201,208	1.17

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
9	**IDFC Sterling Value Fund**				
	At the beginning of the year	0	0.00	0	0.00
	Increase/Decrease during the year	3,000,000	1.52	3,000,000	1.09
	At the end of the year			3,000,000	1.09
10	**Union Investment Luxembourg S.A. A/C Quoniam Funds Selection Sicav - Emerging Markets Equities Minrisk***				
	At the beginning of the year	0	0.00	0	0.00
	Increase/Decrease during the year	2,970,051	1.50	2,970,051	1.08
	At the end of the year			2,970,051	1.08
11	**Acacia Banyan Partners#**				
	At the beginning of the year	0	0.00	0	0.00
	Increase/Decrease during the year	2,757,184	1.40	2,757,184	1.01
	At the end of the year			2,757,184	1.01
12	**Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds#**				
	At the beginning of the year	833,421	0.42	833,421	0.30
	Increase/Decrease during the year	1,845,185	0.93	2,678,606	0.98
	At the end of the year			2,678,606	0.98
13	**Government Pension Fund Global#**				
	At the beginning of the year	3,742,135	1.89	3,742,135	1.37
	Increase/Decrease during the year	(1,259,498)	(0.64)	2482637	0.91
	At the end of the year			2482637	0.91
14	**Fidelity Puritan Trust-Fidelity Low-Priced Stock Fund#**				
	At the Beginning of the year	8,669,250	4.39	8,669,250	3.16
	Increase/Decrease during the year	(8,669,250)	(4.39)	0	0.00
	At the end of the year			0	0.00

Ceased to be in the list of Top 10 shareholders as on March 31, 2018. The same is reflected above since the shareholder was one of the Top 10 shareholder as on April 1, 2018.

* Not in the list of Top 10 shareholders as on April 1, 2018. The same has been reflected above since the shareholder was one of the Top 10 shareholder as on March 31, 2019.

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the Year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. S. B. (Ravi) Pandit#				
	At the beginning of the year	430,500	0.22	430,500	0.16
	Increase/Decrease during the year	0	0.00	0	0.00
	At the end of the year			430,500	0.16
2	Mr. Kishor Patil#				
	At the beginning of the year	2,989,080	1.51	2,989,080	1.09
	Increase/Decrease during the year				
	Market Sale on January 24, 2019	-2,800,000	-1.42	189,080	0.07
	At the end of the year			189,080	0.07
3	Mr. Sachin Dattatraya Tikekar#				
	At the beginning of the year	840,800	0.43	840,800	0.31
	Increase/Decrease during the year	0	0.00	0	0.00
	At the end of the year			840,800	0.31
4	Ms. Lila Poonawalla#				
	At the beginning of the year	130,000	0.07	130,000	0.05
	Increase/Decrease during the year				
	Market sale on July 12, 2018	-30,000	-0.02	100,000	0.04
	At the end of the year			100,000	0.04
5	Mr. Pawan Sharma*				
	At the beginning of the year	531,929	0.27	531,929	0.19
	Increase/Decrease during the year	0	0.00	0	0.00
	At the end of the year			531,929	0.19
6	Ms. Sneha Padve (Key Managerial Personnel - Company Secretary)				
	At the beginning of the year	60	0.00	60	0.00
	Increase/Decrease during the year	0	0.00	0	0.00
	At the end of the year			60	0.00

Ceased to be Director of the Company w.e.f. January 15, 2019. The same is reflected above since the they were appearing as Director in the Annual Report 2017-18.

* Appointed as Director of the Company w.e.f. January 15, 2019.

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment is as follows:

(Amount in ₹ million)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,802.52	11.97	-	2,814.49
ii) Interest due but not paid	2.15	0.63	-	2.78
iii) Interest accrued but not due	1.90	-	-	1.90
Total (i+ ii +iii)	**2,806.57**	**12.59**	**-**	**2,819.17**
Change in Indebtedness during the financial year #				
• Addition	-	-	-	-
• Reduction	2,425.45	12.59	-	2,438.04
Net Change	(2,425.45)	(12.59)	-	(2,438.04)
Indebtedness at the end of the financial year				
i) Principal Amount	380.33	-	-	380.33
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.80	-	-	0.80
Total (i + ii + iii)	**381.12**	**-**	**-**	**381.12**

Change in Indebtedness during the financial year is considered on net basis.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in ₹ million)

Sr. No.	Particulars of Remuneration*	Name of MD/WTD/Manager					Total
		Mr. S. B. (Ravi) Pandit@	Mr. Kishor Patil@	Mr. Sachin Tikekar@*	Mr. Anjan Lahiri#	Mr. Pawan Sharma#	
1	Gross Salary						
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	43.46	37.85	33.93	6.83	1.24	123.31
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	0.34	-	-	-	0.34
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-

Sr. No.	Particulars of Remuneration*	Name of MD/WTD/Manager					Total
		Mr. S. B. (Ravi) Pandit@	Mr. Kishor Patil@	Mr. Sachin Tikekar@*	Mr. Anjan Lahiri#	Mr. Pawan Sharma#	
4	Commission						
	- as % of profit	-	-	-	-	-	-
	- others	-	-	-	-	-	-
5	Others	-	-	-	-	-	-
	Total (A)	43.46	38.19	33.93	6.83	1.24	123.65
	Ceiling as per the Act	236.87 (being 10% of net profit of the Company calculated as per section 198 of the Companies Act, 2013)					

* Remuneration figures reported are as per the provisions of the Income Tax Act, 1961, as required by the prescribed format and therefore, may differ from the remuneration figures reported under the provisions of the Companies Act, 2013, elsewhere in this Annual Report.

@ Mr. S. B. (Ravi) Pandit, Mr. Kishor Patil and Mr. Sachin Tikekar resigned w.e.f. January 15, 2019.

Mr. Anjan Lahiri and Mr. Pawan Sharma appointed w.e.f. January 16, 2019 and January 15, 2019 respectively.

B. Remuneration to other Directors:

(Amount in ₹ million)

Sr. No.	Particulars of Remuneration*	Name of Directors									Total
		Ms. Lila Poonawalla*	Prof. Alberto Sangiovanni Vincentelli*	Mr. Adi Engineer*	Mr. Anant Talaulicar	Mr. Nickhil Jakatdar*	Ms. Alka Bharucha	Mr. Ashok Barat	Ms. Nandita Gurjar	Mr. Prasad Thrikutam	
1	Independent Directors										
	• Fee for attending board/committee meetings	0.19	0.05	0.22	0.41	0.05	0.32	0.30	0.40	0.10	2.04
	• Commission (upto January 15, 2019)	1.53	1.32	2.18	1.35	0.57	0.48	-	-	-	7.43
	(w.e.f. January 16, 2019 to March 31, 2019)	-	-	-	0.60	-	0.60	0.60	0.60	0.60	3.00
	• Others										
	Total (1)	1.72	1.37	2.40	2.36	0.62	1.40	0.90	1.00	0.70	12.47

Sr. No.	Particulars of Remuneration	Name of Directors					Total
		Mr. B V R Subbu*	Dr. Klaus Blickle*	Mr. CK Birla	Mr. Anjan Lahiri#	Mrs. Amita Birla	
2	Other Non-Executive Directors						
	• Fee for attending board/ committee meetings	0.09	NIL	0.20	0.03	0.30	0.62
	• Commission	0.97	0.35	0.60	0.72	0.60	3.24
	• Others						
	Total (2)	**1.06**	**0.35**	**0.80**	**0.77**	**0.90**	**3.86**
	Total (B) = (1+2)						**16.33**
	Total Managerial Remuneration						**139.98**
	Overall Ceiling as per the Act	260.56 (being 11% of net profit of the Company calculated as per section 198 of the Companies Act, 2013)					

* Ms. Lila Poonawalla, Mr. Adi Engineer, Prof. Alberto Sangiovanni Vincentelli, Mr. Nickhil Jakatdar, Mr. BVR Subbu, Dr. Klaus Blickle resigned w.e.f. January 15, 2019.

Attendance fees and Commission paid to Mr. Anjan Lahiri is from May 23, 2018 to January 15, 2019 when he was designated as a nominee director of the Company nominated by Birlasoft (India) Limited.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(Amount in ₹ million)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel						Total
		Chief Executive Director Mr. Kishor Patil upto January 15, 2019	Chief Executive Director Mr. Anjan Lahiri w.e.f. January 16, 2019	Company Secretary	Chief Financial Officer Mr. Anil Patwardhan upto May 23, 2019	Chief Financial Officer Mr. Vinit Teredesai w.e.f. May 24, 2019 to January 15, 2019	Chief Financial Officer Mr. Rajeev Gupta w.e.f. January 16, 2019	
1	Gross Salary							
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	37.85	6.83	5.07	5.18	6.50	4.25	65.68
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	0.34	-	-	-	-	-	0.34
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-	-
4	Commission							
	- as % of profit		-	-	-	-	-	-
	- others		-	-	-	-	-	-
5	Others	-		-	-	-	-	-
	Total (A)	38.18	6.83	5.07	5.18	6.50	4.25	66.02
	Ceiling as per the Act	236.87 (being 10% of net profit of the Company calculated as per section 198 of the Companies Act, 2013)						

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

For and on behalf of the Board of Directors

Delhi
May 24, 2019

Amita Birla
Chairman

Annexure 9

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

- Steps taken or impact on conservation of energy. – This year 250 CFL lamps have been replaced with LED lamps which has reduced the 37000 units/annum.
- Steps taken by the Company for utilizing alternate sources of energy. -BSL has continued to use the natural resources such as solar plant which generates 2Lacs units per annum.

  However, we have continued with all the previous measures and systems which were implemented previously.
- Capital investment on energy conservation equipment's.- No major capital investment made in this FY except the procurement of 250 Nos. LED lamps.

Green Initiatives

The implementation of smart commute (automation of Cab transportation) has continued to help in reducing diesel consumption, paper consumption etc.

Occupational Health and Safety Assessment Series (OHSAS)

Employee Engagements at Birlasoft is under the banner BEngaged which denotes Birlasoft Engaged. The main objective is to engage our associates' mind and soul. There were 20 activities in the whole year, with 3,988 active participants and the program reached to 7,268 associates through varied activities in the events.

- Father's Day Selfie – Father's day was celebrated with great enthusiasm, all associates were asked to whip out their smart phone, strike a pose with their Dad/Kids and show their selfie.
- Carom Competition- To encourage sportsmanship Carom tournament was organized and had 200 +participants.
- Independence Day - On occasion of Independence Day, various events like Unity in Tricolour, Team Dressing competition, Best Dressed competition, Wear your flag and a floor quiz were conducted.
- Birlasoft Fest – Birlasoft Fest is a yearly celebration which started with Birlasoft Got Talent, a platform to showcase talent, Diya Decoration, Rangoli Making, Ethnic dressing, Fest with NGO's.
- Celebrations – Joy of Giving was celebrated, donation drive for NGO's, one minute games to engage associates.
- Republic Day Celebrations- Face Painting/Ethnic Dressing
- Women's Day – On the occasion of Women's Day many events such as Selfie with Superwomen and Graffiti competitions were conducted. Badges were distributed to everyone and appreciation cards were provided to show appreciation.

Technology Absorption

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

SAP Hana Database

The Oracle database used earlier for SAP platform was replaced with SAP Hana database. With SAP Hana, all transactional and analytical data can live in a single database. This means the access to the exact data is available in real time.

SAP Hana is an in-memory, column-oriented, relational database management system. Its primary function as a database server is to store and retrieve data as requested by the applications. In addition, it performs advanced analytics (predictive analytics, spatial data processing, text analytics, text search, streaming analytics, graph data processing) and includes Extract, Transform, Load (ETL) capabilities as well as an application server.

This database offers multiple technology features which helps the organization to improve the system response time. These features of Hana database include:

Database Services

It takes instantaneous action by using in-memory database services to process high-speed transactions and analytics. Manage large database volumes using multitenant database containers and dynamic tiering across multi-tier storage.

Advanced Analytics Processing

It gains new insights from advanced analytics processing by leveraging in-memory data processing capabilities – text, predictive, spatial, graph, streaming and time series which help getting answers to business questions in real time.

App Development

It helps develop next-generation applications that combine analytics and transactions and deploy them on any device. It takes advantage of best-in-class development tools and deliver personalized experiences with the right data served at the right time for users.

Data Access

It gains a complete and accurate view of business by accessing data from any source – internal or external. Access data where it's located, integrate or replicate relevant data into SAP HANA, and ensures data quality.

Administration

Simplifies system administration and IT operations with tools that help monitor processes, ensures data, application security and achieves continuous availability and keeps the business running smoothly and effectively from any device or location.

Security

Keeps communications, data storage and application services secure with robust identity and access management controls. It relies on best-in-class software security, patching, and encryption and uses a dashboard to monitor all KPIs related to security.

Data Center Components

Last year, some of the components in corporate data center were replaced for hosting our private cloud setup and critical applications. These replacements were done to get 'more compute per rack', faster storage and to reduce carbon foot print by low electricity consumption in the datacenter. The technology change covered deployment of Cisco Hyperflex hyperconverged infrastructure and EMC storage which has automated tiering, flash caching to provide highest system performance at the lowest storage cost. It also has cloud-based proactive monitoring, predictive analytics and remote support to ensure highest availability of the IT infrastructure.

IT infrastructure was provisioned to build Disaster Recovery setup for the organization at Mahape location. This included Cisco HANA appliance and Private cloud setup on Cisco Hyperconverged infrastructure for hosting the DR instance for SAP and Myworld portal. Private cloud setup also hosts the critical IT infrastructure services for this site. From the perspective of business criticality and increased dependency on internet services, the cyber security for this location was enhanced by deploying latest firewall from Checkpoint.

On the WAN network front, current MPLS cloud is segregated into two separate MPLS networks covering various locations associated with separate entities and this will go live next year.

Application Services (Systems of Engagement)

Last year, the Company revamped all our internal employee facing application and system touchpoints. Instead on having traditional ERP based applications, the applications based on microservices were implemented on Pivotal Cloud Foundry.

By implementing Pivotal Cloud Foundry, the Company could leverage on

- Freedom to run the applications on any cloud (the Company had both private, public cloud)
- Automation: Using CI/CD tools the Company automated the deployment
- Resilience: Platform gave auto scaling (during peak invoicing cycles or year-end employee appraisal cycle, the application were automatically managed). The Company could leverage the benefits of blue-green deployment; a technique that reduces downtime and risk by running two identical production environments called Blue and Green.

- Agility: Since the Company followed Agile methodologies running two weeks sprint, it could identify the failures early in the development cycle and improve on its deliveries faster.

  By introducing microservices architecture the Company could get the benefits of:

- Frequent deployments to update new functionalities (the Company was agile and could sense and respond rather than react to situation)
- Fast Troubleshooting compared to Monolith/legacy application
- It is easy to scale a microservices compared to monolith application
- Instead of 1 Application with 99% uptime, there will be multiple services with 99% uptime!
- Speed of Delivery (by different teams and different technologies). The services were written in NodeJS, SpringBoot, C#.
- Decentralized Governance (DevOps)

The Company is now able to recommend the next best action to its employees using analytics. It also developed an inhouse BOT, Kloudee that could take care of employee queries and as a result, the incident reporting is reduced. Going forward, the Company is looking to move from the current 'System of Engagement' to 'System of Intelligence'.

Foreign Exchange Earnings and Outgo

Given the global nature of the business of the Company, exports always form its thrust. Total foreign exchange earnings during the year have been ₹11,551.83 million (previous year ₹9,969.73 million) and foreign exchange outgo (including imports) has been ₹420.35 million (previous year ₹494.55 million).

Report on Corporate Governance

Corporate Governance Philosophy:

Corporate Governance essentially involves balancing the interests of various stakeholders of the Company such as shareholders, management, customers, suppliers, financiers, government and the community. Corporate Governance entails managing 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.

Corporate Governance implies an accurate, adequate and timely disclosure of relevant information. It includes the processes through which organization's objectives are set and pursued in the context of the social, regulatory and market environment. 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. Therefore, Companies Act, 2013, has 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. The Company is directed and controlled in a way in order to achieve the goals and objectives to add value to the Company and also benefit the stakeholders in the long term. 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 have been practicing corporate governance to ensure transparency in our corporate affairs and are committed to continuously scale up the corporate governance standards.

Our corporate governance framework has been built on the Company's value system which is as follows:

Engaged: People are our biggest assets. This includes the customers we serve, our colleagues and the suppliers we partner with. When customer work with us, they allow us to enter their organization and blend harmoniously with their culture and people. We engage them to work seamlessly and it's no different when it comes to working with our partners.

Dependable: Customers look for support and we need to make them feel that they can rely on us. It's important for us to find out how we as an organization can win their trust and continue to function as a dependable unit.

Challenger: Our Organization is about scale and quality. We take great care to deliver the best to our customers by understanding their needs. Focus, agility and flexibility from our side are always paramount as we go the extra mile to drive success for our customers.

Our philosophy is aimed at conducting business ethically, efficiently and in a transparent manner 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 provided 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 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 are uploaded on the Company's website on quarterly basis and also intimated to the stock exchanges for its stakeholders. 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 nine Directors as on March 31, 2019, seven are Independent/Non-Executive Directors and two are Executive Directors. The Non-Executive Directors come from diverse background and possess rich experience and expertise in various industries such as IT business operations, technical consultancy, sales & delivery, legal, finance & accountancy and human resources. 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, 2019

Sr. No.	Name of Director	Category of Directorship at Birlasoft	Relationship with the Directors	No. of Director ships held in Public Companies*	Name & Category of Directors in other Listed Companies	No. of Committee Membership in Companies@	No. of Chairmanship in Committees@
1	Mrs. Amita Birla Chairman	Non-Executive	Yes (Spouse of Mr. CK Birla)	4	1.Orient Cement Limited - Non-Executive, Non-Independent Director	Nil	Nil
2	Mr. CK Birla	Non-Executive	Yes (Spouse of Mrs. Amita Birla)	8	1. Orient Cement Limited – Chairperson, Non-Executive, Non Independent Director 2. Orient Paper & Industries Limited – Chairperson-Non Independent Director 3. Orient Electric Limited – Chairperson, Non Independent Director 4. HIL Limited – Chairperson-Non Independent Director	Nil	Nil

Sr. No.	Name of Director	Category of Directorship at Birlasoft	Relationship with the Directors	No. of Director ships held in Public Companies*	Name & Category of Directors in other Listed Companies	No. of Committee Membership in Companies@	No. of Chairmanship in Committees@
3	Mr. Anjan Lahiri MD & CEO	Executive	None	1	Nil	Nil	Nil
4	Mr. Pawan Sharma	Executive	None	1	Nil	Nil	Nil
5	Mr. Anant Talaulicar	Independent	None	4	1. Force Motors Limited - Non-Executive, Independent Director 2. The Hi-Tech Gears Limited – Non-Executive, Non Independent	1	Nil
6	Ms. Alka Bharucha	Independent	None	9	1. Ultratech Cement Limited - Non-Executive, Independent Director 2. Orient Electric Limited - Non-Executive, Independent Director 3. Hindalco Industries Limited - Non-Executive, Independent Director 4. Honda Siel Power Products Limited - Non-Executive, Independent Director	3	1
7	Mr. Ashok Barat	Independent	None	6	1. Bata India Limited - Non-Executive, Independent Director 2. DCB Bank Limited - Non-Executive, Independent Director 3. Cholamandalam Financial Holdings Limited - Non-Executive, Independent Director 4. Cholamandalam Investment and Finance Company Limited - Non-Executive, Independent Director	2	1
8	Ms. Nandita Gurjar	Independent	None	3	1. Galaxy Surfactants Limited - Non-Executive, Independent Director	1	Nil
9	Mr. Prasad Thrikutam	Independent	None	1	Nil	2	Nil

* including directorship in Birlasoft Limited.

@ includes only Audit Committee & Stakeholders Relationship Committee in all public limited companies including Birlasoft Limited.

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

The Board of Directors is structured with a judicious mix of various skills & competencies in order to assist the management and provide them advice in the business operations.

The list of core skills/competencies identified by the Board of Directors are as follows:

Expertise in legal, finance & accountancy, technical consultancy, IT business operations, human resources, sales & delivery.

All the above mentioned skill sets are available with the current Board of Directors for guiding the management in the efficient functioning of the Company.

C. Independent Directors:

1. Independent Director

All our Independent Directors fulfill the criteria of independence as prescribed under 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.

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 holding, subsidiary or associate companies (or member of the promoter group of the Company);

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

d. who, apart from receiving director's remuneration, has or had no material pecuniary relationship with the Company or its holding, 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 Company or its holding, subsidiary or associate companies, 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, whichever is lower, during the two immediately preceding financial years or during the current financial year;

f. who, neither himself 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 Company or its holding, subsidiary or associate companies in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

(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 holding, subsidiary or associate companies; or

(B) any legal or a consulting firm that has or had any transaction with the Company or its holding, 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 holding, 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, a specimen of which has been placed on the Company's website.

5. **Performance evaluation of Independent Directors**
The Nomination and Remuneration Committee has laid down criteria for performance evaluation of Independent Directors, 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 behaviour and judgment; and

f) Impact and influence.

6. **Separate meeting of the Independent Directors**
During FY 2018-19, a separate meeting of the Independent Directors of the Company was held on March 26, 2019.

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. The details of such familiarization programs are uploaded on the website of the Company.

(https://www.birlasoft.com/company/investors/corporate-governance).

Further, at every Board meeting, there is a detailed business presentation made which is useful to the Directors in understanding the business. The presentation is made by the business leader so that the Directors are able to connect with the leader and ask him related questions.

D. Responsibilities of the Chairman and other Executive Directors

Mrs. Amita Birla is the Chairman of the Board of Directors, Mr. Anjan Lahiri is the Managing Director & Chief Executive Officer (CEO) and Mr. Pawan Sharma is a Whole-time Director. The authorities and responsibilities of each of the above Directors are clearly demarcated as under:

The Chairman guides the team in overseeing business, management of key external relationships and managing Board matters. She also plays a strategic role in Community Initiatives and Corporate Governance.

The Managing Director & CEO 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.

The Whole-time Director works on the overall strategy, operating systems, creation of some new solutions, executive sponsorship of the Key Global Accounts and Partnerships.

E. Membership Term

As per the current laws in India, Independent Directors can hold office for a term of five years which can be extended for another period of five years by the shareholders of the Company. In the Board Meeting held on January 15, 2019, the Company appointed Mr. Ashok Barat, Ms. Nandita Gurjar and Mr. Prasad Thrikutam, as Additional Directors of the Company for a term of five years, from January 15, 2019 subject to the approval of the shareholders in the ensuing Annual General Meeting. In the Annual General Meeting held on August 29, 2018, the Company appointed Mr. Anant Talaulicar and Ms. Alka Bharucha as Independent Directors, for a term of five years from October 21, 2017 and May 23, 2018 respectively.

Mrs. Amita Birla, Mr. CK Birla, Mr. Pawan Sharma were appointed as Additional Directors and Mr. Anjan Lahiri, nominee of Birlasoft (India) Limited has been appointed as Managing Director & Chief Executive Officer of the Company for a period of 3 years w.e.f. January 16, 2019, subject to the approval of the shareholders in the ensuing Annual General Meeting.

As for the Non-Independent Directors, at least two-thirds of them shall be liable to retire by rotation. One-third of such directors as are liable to retire by rotation shall retire every year and if qualified, shall be eligible for re-appointment. Consequent upon the merger of Birlasoft (India) Limited with KPIT Technologies Limited, all the

Non- Independent Directors are Additional Directors and are due for regularization in the ensuing Annual General Meeting. Hence, in accordance with Section 152 of the Act, no director retires by rotation at the forthcoming Annual General Meeting.

The Executive Directors are appointed by the shareholders of the Company (subject to retirement by rotation as mentioned hereinabove), but are eligible for re-appointment upon completion of their respective term.

F. Board & Committee Meeting Agenda and Minutes

The Company Secretary receives details on the matters which require the approval of the Board/Committees of the Board, from various departments of the Company, well in advance, so that they can be included in the Board/ Committee meeting agenda, if required. The information as required under the SEBI (LODR) Regulations, 2015, is made available to the members of the Board/Committee. 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 quarterly 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 SEBI (LODR) Regulations, 2015 as well as 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 as well as the Committees of the Board are circulated to all the Directors/Members of the Committee.

G. Non-Executive Directors' shareholding

As on March 31, 2019, none of the Non-Executive Directors hold Equity Shares of the Company.

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 included in the 'Additional Shareholder Information', which forms a part of this Annual Report. The Board meetings are held at the Registered Office of the Company located in Pune or at other group office situated at Delhi. 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 of the meetings. 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. Additional Board meetings are held, whenever necessary.

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

a) May 23, 2018;

b) July 25, 2018;

c) October 24, 2018;

d) January 15, 2019;

e) February 18, 2019; and

f) March 26, 2019.

Table 2: Number of Board meetings and the attendance of Directors during FY 2018-19

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	Mrs. Amita Birla, Chairman	2	2	NA
2	Mr. CK Birla	2	2	NA
3	Mr. Anjan Lahiri, Managing Director & CEO	5	5	Yes
4	Mr. Pawan Sharma	2	2	NA
5	Mr. Anant Talaulicar	6	5	Yes
6	Ms. Alka Bharucha	5	3	-
7	Mr. Ashok Barat	2	2	NA
8	Ms. Nandita Gurjar	2	2	NA
9	Mr. Prasad Thrikutam	2	2	NA
10	Mr. S. B. (Ravi) Pandit, Chairman #	4	4	Yes
11	Mr. Kishor Patil, CEO & Managing Director #	4	4	Yes
12	Mr. Sachin Tikekar, Whole-time Director #	4	4	Yes
13	Ms. Lila Poonawalla #	4	2	Yes
14	Mr. Adi Engineer #	4	4	Yes
15	Prof. Alberto Sangiovanni Vincentelli #	4	4	-
16	Mr. B V R Subbu #	4	4	-
17	Dr. Klaus Blickle #	4	0	-
18	Mr. Nickhil Jakatdar #	4	4	-

*Including attendance by videoconference or teleconference.
#ceased to be Director of the Company with effect from January 15, 2019.

2. Membership of Board committees

None of the Directors of the Company hold membership of more than ten committees nor is any Director a Chairman 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 acts, laws, rules, regulations and regulatory requirements, the Company has set-up a regulatory compliance process within the organization. The Compliance Officer is the process owner of this process and is responsible for obtaining compliance certificates from all departments and entities and reporting compliance to the Board of Directors. The CFO and the Company Secretary of the Company thereafter presents a quarterly compliance certificate before the Board of Directors of the Company which reviews compliance reports of all laws applicable to the Company 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 Managing Director & CEO to this effect is provided in this Report.

J. Whistle Blower Policy

In an effort to demonstrate the highest standards of transparency, the Company has adopted the '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:

1. To allow the Directors and employees to raise concerns about unacceptable improper practices and/or any unethical practices and/or other genuine concerns being followed in the organization and to create awareness amongst employees to report instances of leak of unpublished price sensitive information.
2. To check that whenever any unacceptable/improper practice and/or any unethical practice and/or any instances of leak of unpublished price sensitive information and/or any other genuine concern is reported by a Director or an employee and proper action is taken for such reporting.
3. receipt, retention and treatment of complaints received by the Company regarding improper activities, financial or otherwise, in the Company; and
4. 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.

K. Corporate Disclosure Policy

The Company has a Corporate Disclosure Policy in place. The Chief Investor Relations Officer deals with dissemination of information and disclosure of unpublished price sensitive information under the Policy.

II. COMMITTEES OF THE BOARD

During the year, all Board Committees of the Company were reconstituted. As a result, the committees as on March 31, 2019 are - Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, and Corporate Social Responsibility (CSR) Committee. Further, the Risk Management Committee was constituted on March 26, 2019. All of these Committees are chaired by Non-Executive/Independent Directors. The Board is responsible for constituting, co-opting and fixing the terms of reference for the committees. Normally, the Audit Committee meets at least four times a year, Stakeholders Relationship Committee and Risk Management Committee meets annually, CSR Committee and Nomination and Remuneration 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 committee for their comments and thereafter, confirmed in its 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 was reconstituted with effect from January 15, 2019 consisting of five Independent Directors, Mr. Ashok Barat is the Chairman of this Committee, Mr. Anant Talaulicar, Ms. Alka Bharucha, Ms. Nandita Gurjar and Mr. Prasad Thrikutam are the other members. 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 CFO attends all the meetings of the Committee. 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 Company has duly defined the role and objectives of the Audit Committee on the same lines as provided under Regulation 18(3) read with Schedule II of the SEBI (LODR) Regulations, 2015, and the Companies Act, 2013, as amended from time to time. 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 utilisation 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. reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision;

22. management discussion and analysis of financial condition and results of operations;

23. statement of significant related party transactions (as defined by the audit committee), submitted by management;

24. management letters/letters of internal control weaknesses issued by the statutory auditors;

25. internal audit reports relating to internal control weaknesses;

26. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;

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).

The Chairperson of the Audit Committee confirmed to the Board that the Committee has carried out the role assigned to it during the year under review.

Meetings

During FY 2018-19, the Audit Committee met five times – May 23, 2018, July 24 & 25, 2018, October 23 & 24, 2018, January 14 & 15, 2019 and February 18, 2019. The details of meetings and attendance are given in Table 3.

Table 3: 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. Ashok Barat – Chairperson*	1	1
2	Mr. Anant Talaulicar	5	5
3	Ms. Alka Bharucha*	1	1

Sr. No.	Name of the Committee Member	No. of meetings held during the tenure	No. of meetings attended
4	Ms. Nandita Gurjar *	1	1
5	Mr. Prasad Thrikutam *	1	1
6	Ms. Lila Poonawalla – Chairperson#	4	4
7	Mr. Adi Engineer #	4	4

*with effect from January 15, 2019.
#up to January 15, 2019.

B. Nomination and Remuneration Committee

Composition

The Nomination and Remuneration Committee was reconstituted with effect from January 15, 2019. The Committee now consists of two Independent Directors and one Non-Executive Director. Mr. Anant Talaulicar, Chairman and Mrs. Amita Birla & Ms. Nandita Gurjar are the other members of the Committee.

Role and objectives

The role and objectives of the Committee, as provided under Regulation 19(4) read with Schedule II of the SEBI (LODR) Regulations, 2015 and 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. formulation of criteria for evaluation of performance of board of directors, its committees, individual directors and independent directors, to be carried out by the Committee or by an independent external agency and review its implementation and compliance.
3. devising a policy on diversity of Board of Directors;
4. 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;
5. 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.
6. recommend to the Board, all remuneration, in whatever form, payable to senior management.

Meetings

The Committee met five times during the year – May 22, 2018, July 24, 2018, October 23, 2018, January 15, 2019 and February 18, 2019. The details of meetings and attendance are given in Table 4.

Table 4: Nomination and Remuneration 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	Mrs. Amita Birla*	1	1
3	Ms. Nandita Gurjar*	1	1
4	Mr. Adi Engineer – Chairman #	4	4
5	Ms. Lila Poonawalla#	4	4
6	Mr. S. B. (Ravi) Pandit#	4	4
7	Mr. B V R Subbu#	4	2

*with effect from January 15, 2019.
upto January 15, 2019.

C. Stakeholders Relationship Committee

Composition

The Board has formed a Stakeholders Relationship Committee to look into shareholder-related matters. During the year, the Committee was reconstituted. Ms. Alka Bharucha, Chairman of the Committee, Mr. Ashok Barat and Mr. Prasad Thrikutam are the other members of the Committee. The meetings of the Committee are held to review and resolve only those cases which are pending for action for more than normal processing period. The details of complaints received, solved and pending from the shareholders/investors are given elsewhere in this Annual Report. As required under SEBI (LODR) Regulations, 2015, the Company files with the stock exchange(s) within twenty one days from the end of each quarter, a statement giving the number of investor complaints pending at the beginning of the quarter, those received during the quarter, disposed of during the quarter and those remaining unresolved at the end of the quarter and the same is placed before the Board on a quarterly basis.

The Company has a dedicated e-mail address: grievances@birlasoft.com for communicating shareholders' grievances.

Role and objectives

The role and objectives of the Committee as provided under Regulation 20(4) read with Schedule II of the SEBI (LODR) Regulations, 2015 and as defined by the Board of Directors of the Company:

1. Resolving the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate share 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 in respect of various services being rendered by the R&STA
4. Review of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Meetings

During the year, two meeting of the Stakeholders Relationship Committee was held on August 29, 2018 and January 14, 2019. The details of the meeting and attendance are given in Table 5.

Table 5: 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	Ms. Lila Poonawalla, Chairperson	2	2
2	Mr. S. B. (Ravi) Pandit	2	2
3	Mr. Kishor Patil	2	2

D. Corporate Social Responsibility (CSR) Committee

The Company has set up a Corporate Social Responsibility (CSR) Committee to oversee the discharge of Corporate Social Responsibility obligations, as required by Section 135 of the Companies Act, 2013 and the relevant rules. The Committee was reconstituted and now consists of three directors including two Independent Directors.

Composition

Mrs. Amita Birla, Chairman of the Committee. Ms. Nandita Gurjar and Mr. Anant Talaulicar 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;
3. recommendation of amount of expenditure on CSR activities;
4. monitor the CSR policy from time to time.

Meetings

The Committee met thrice during the year on May 22, 2018, October 23, 2018 and February 18, 2019. The details of meetings and attendance are given in Table 6.

Table 6: CSR Committee - meetings and attendance

Sr. No.	Name of the Committee Member	No. of meetings held during the tenure	No. of meetings attended
1	Mrs. Amita Birla – Chairman*	1	1
2	Ms. Nandita Gurjar *	1	1
3	Mr. Anant Talaulicar *	1	1
4	Mr. S. B. (Ravi) Pandit – Chairman#	2	2
5	Mr. Adi Engineer#	2	2
6	Mr. Sachin Tikekar#	2	1

*with effect from January 15, 2019.

#upto January 15, 2019.

E. Risk Management Committee

The Company has an integrated approach to managing the risks inherent in the various aspects of business. As a part of this approach, the Company's Board is responsible for monitoring risk levels according to various parameters and ensuring implementation of mitigation measures, if required.

The Company has set up a Risk Management Committee with the effect from March 26, 2019, as required by regulation 21 of the SEBI (LODR) Regulations, 2015. The Committee consists of five Independent Directors.

Composition

Mr. Prasad Thrikutam, Chairman of the Committee. Mr. Anant Talaulicar, Ms. Alka Bharucha, Mr. Ashok Barat and Ms. Nandita Gurjar 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 is as under:

1. To monitor and review the Risk Management Plan of the Company
2. To monitor and review cyber security measures.

Meetings

The Risk Management Committee was setup on March 26, 2019, hence, no meeting of the Committee was held during the year 2018-19.

III. SUBSIDIARY COMPANIES

As per the criteria given in Regulation 16 of SEBI (LODR) Regulations, 2015, Birlasoft Solutions Inc is a material Subsidiary of the Company.

Brief details of the Company's subsidiaries, including step-down subsidiaries, are given in the Board's Report.

Following are the key matters relating to subsidiaries which are regularly taken up in the Audit Committee/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.

The Company has formulated a policy for determining 'material subsidiaries' and the said policy has been uploaded on the Company's website (https://www.birlasoft.com/company/investors/corporate-governance).

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.birlasoft.com/company/investors/corporate-governance). The related party transactions are placed before the Audit Committee and the Board on a quarterly basis 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, 2019. 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 Directors

Within the limits prescribed under the Companies Act, 2013 and by the shareholders' resolutions, the Nomination and Remuneration Committee determines and recommends to the Company's Board the remuneration payable to Executive and Non-Executive Directors and thereafter, the Board considers 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 7.

Table 7: Remuneration paid to Executive Directors in FY 2018-19 (Amount in ₹ million)

Name of Director/Remuneration details	Mr. Anjan Lahiri**	Mr. Pawan Sharma*	Mr. S. B. (Ravi) Pandit#	Mr. Kishor Patil#	Mr. Sachin Tikekar#
	Managing Director & CEO	Whole-time Director	Chairman	CEO & Managing Director	Whole-time Director
Salary	6.58	1.10	8.70	7.59	8.33
PF	0.25	0.14	1.09	0.87	0.31
Leave Encashment	-	-	-	-	-
Variable Performance Incentive	-	-	33.67	29.38	25.29
Perquisites	-	-	-	0.34	-
Bonus	-	-	-	-	-
Notice Period	-	-	-	-	-
Severance fees	Notice pay	Notice pay	Notice pay	Notice pay	Notice pay
Total	**6.83**	**1.24**	**43.46**	**38.18**	**33.93**

**with effect from January 16, 2019.
*with effect from January 15, 2019.
#upto January 15, 2019.

Note: 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 Directors'), may be paid remuneration by way of commission if the members of the Company, authorize such payment. However, the remuneration paid to all such Non-Executive Directors taken together should not exceed 1% of the net profit of the Company in any relevant financial year, if the Company has a Managing or a Whole-time Director or manager. The Board of Directors of the Company has approved a commission of ₹13.67 million (previous year ₹13.23 million) to the Non-Executive Directors of the Company for the financial year 2018-19. There is no other remuneration to the Non-Executive Directors, except sitting fees for the meetings attended by them. The details of remuneration to the Non-Executive Directors for the financial year 2018-19 are given in Table 8.

Table 8: Remuneration to Non-Executive Director (Amount in ₹ million)

Name of Director	Commission	Sitting Fees
Mrs. Amita Birla, Chairman*	0.60	0.30
Mr. CK Birla*	0.60	0.20
Mr. Anjan Lahiri	0.72	0.03
Ms. Alka Bharucha*	1.08	0.32
Mr. Ashok Barat*	0.60	0.30
Ms. Nandita Gurjar*	0.60	0.40
Mr. Prasad Thrikutam*	0.60	0.10
Ms. Lila Poonawalla [Chairperson - Audit Committee and Risk Management Committee]#	1.53	0.19
Mr. Adi Engineer [Chairman - Nomination & Remuneration (HR) Committee] #	2.18	0.22
Prof. Alberto Sangiovanni Vincentelli#	1.32	0.05
Mr. B V R Subbu #	0.97	0.09
Mr. Anant Talaulicar	1.95	0.41
Dr. Klaus Blickle#	0.35	NIL
Mr. Nickhil Jakatdar#	0.57	0.05
TOTAL	**13.67**	**2.66**

*with effect from January 15, 2019.
#upto January 15, 2019.

Basis for remuneration paid to Non-Executive Directors w.e.f. January 16, 2019

Remuneration	Board meeting & Audit Committee meeting	Other Committee meetings
Sitting Fees	₹100,000/- per meeting	₹50,000/- per meeting
Commission	The total amount of commission to be paid to the Non-Executive Directors for FY 2018-19 is ₹4.2 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.	

Basis for remuneration paid to Non-Executive Directors upto January 15, 2019

Remuneration	Board member	Committee Chairman	Committee member
Sitting Fees	₹15,000/- per meeting	₹20,000/- per meeting	₹12,500/- per meeting
Commission	The total amount of commission to be paid to the Non-Executive Directors for FY 2018-19 is ₹9.46 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.		

D. Management Discussion & Analysis

A detailed Management Discussion and Analysis is given as a separate section in this Annual Report. 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.

E. Legal Compliance Reporting

The Company has installed 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. A consolidated report on compliance with applicable laws is presented to the Board every quarter. The Company is constantly striving to strengthen the reporting system to take care of the continuously evolving compliance scenario.

F. 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 is submitted to the stock exchanges and is 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.

G. 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. Consequent upon the merger of Birlasoft (India) Limited with KPIT Technologies Limited, all the Non- Independent Directors are Additional Directors and are due for regularization in the ensuing Annual General Meeting. Hence, in accordance with Section 152 of the Act, no director retires by rotation at the forthcoming Annual General Meeting.

During the year, Mrs. Amita Birla, Mr. CK Birla and Mr. Pawan Sharma were appointed as Additional Director's, Mr. Ashok Barat, Ms. Nandita Gurjar and Mr. Prasad Thrikutam were appointed as Additional & Independent Director's w.e.f. January 15, 2019, subject to the approval of the shareholders in the ensuing Annual General Meeting. Mr. Anjan Lahiri, nominee of Birlasoft (India) Limited has been appointed as Managing Director and CEO of the Company for a period of 3 years with effect from January 16, 2019. Mr. Anant Talaulicar and Ms. Alka Bharucha have been appointed as Independent Director's of the Company w.e.f. October 21, 2017 and May 23, 2018, respectively. Detailed resume of all the directors are provided in Additional Shareholders Information' section in this Annual Report.

ii) Communication to shareholders

The Company's quarterly financial results, investor updates and other investor related information are posted on the Company's website (www.birlasoft.com). The quarterly financial results 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, 2018 to March 31, 2019, are given in the 'Additional Shareholder Information' section in this Annual Report.

iii) General body meetings

Table 9: Details in respect of the last three Annual General Meetings (AGMs) of the Company

Date of the meeting (year)	Venue of the meeting	Time of the meeting	Special Resolution Passed
August 24, 2016 (2015-16)	KPIT Technologies Ltd. Auditorium SDB II, 35 & 36, Rajiv Gandhi Infotech Park, Phase - I, MIDC, Hinjawadi, Pune- 411057	10.30 A.M.	1) Re-appointment of Mr. Sachin Tikekar, Whole-time Director for a period of five years.
August 23, 2017 (2016-17)	KPIT Technologies Ltd. Auditorium SDB II, 35 & 36, Rajiv Gandhi Infotech Park, Phase - I, MIDC, Hinjawadi, Pune- 411057	10.30 A.M.	1) To re-appoint Ms. Lila Poonawalla, (DIN: 00074392) as an Independent Director of the Company for a period of five years from April 1, 2017, not liable to retire by rotation. 2) To re-appoint Dr. R. A. Mashelkar (DIN: 00074119) as an Independent Director of the Company for a period of five years from April 1, 2017, not liable to retire by rotation. 3) To re-appoint Mr. Adi Engineer (DIN: 00016320) as an Independent Director of the Company for a period of five years from April 1, 2017, not liable to retire by rotation. 4) To re-appoint Prof. Alberto Sangiovanni Vincentelli (DIN: 05260121) as an Independent Director of the Company for a period of five years from April 1, 2017, not liable to retire by rotation.
August 29, 2018 (2017-18)	KPIT Technologies Ltd. Auditorium SDB II, 35 & 36, Rajiv Gandhi Infotech Park, Phase - I, MIDC, Hinjawadi, Pune- 411057	11.30 A.M	1) To re-appoint Mr. Anant Talaulicar (DIN: 00031051) as an Independent Director of the Company for a period of five years from October 21, 2017, not liable to retire by rotation.

iv) Special Resolution through Postal Ballot

During the year, the Company convened a meeting of the equity shareholders of the Company as per the directions of the National Company Law Tribunal, Mumbai Bench held on August 29, 2018 where the Composite Scheme of Arrangement amongst Birlasoft (India) Limited and KPIT Technologies Limited and KPIT Engineering Limited and their respective shareholders was approved by a special resolution through means of postal ballot, e-voting and voting at the meeting by ballot paper.

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 is given in 'Additional Shareholders Information' section in this Annual Report.

vii) There is no relationship between the Directors of the Company, inter-se, except Mr. Chandrakant Birla, a Non-Executive Director of the Company, who is the spouse of Mrs. Amita Birla, Chairman of the Company.

H. Dividend Distribution Policy

Pursuant to SEBI (LODR) Regulations, 2015, 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.birlasoft.com/company/investors/corporate-governance)

V. 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.

VI. CERTIFICATE BY A PRACTICING COMPANY SECRETARY

As required by Clause (i) mentioned in Part C of Schedule V of the SEBI (LODR) (Amendment) Regulations, 2018, certificate to the members of the Company is annexed to this Report.

VII. COMPLIANCE

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

Further, during the last three (3) years, 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

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

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

1. A non-executive chairman may be entitled to maintain a chairperson's office at the listed entity's expense and also allowed reimbursement of expenses incurred in performance of her duties.

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, there is a detailed business presentation made which is useful to the Directors in understanding the business. The presentation is made by the business leader so that the Directors are able to connect with the leader and also ask him related questions. Efforts are also made to acquaint and train the Board members about the emerging trends in the industry. The internal newsletters of the Company are regularly shared with the Board members to keep them up-to-date with the developments in the Company, on a continuing basis.

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 and 2 are recommendatory, as per the provisions of the Companies Act, 2013. The Company adheres by these standards.

Declaration of the Managing Director & Chief Executive Officer

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.birlasoft.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, 2019.

Delhi
May 24, 2019

Anjan Lahiri
Managing Director & CEO

Corporate Governance Compliance Certificate by Company Secretary in Whole-time Practice

To
The Members of
BIRLASOFT LIMITED

I have examined the compliance of conditions of corporate governance by **Birlasoft Limited (Formerly KPIT Technologies Limited)**, ("the Company") for the year ended on March 31, 2019, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. My 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.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement signed by the Company with stock exchanges.

I further 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.

For J. B. Bhave & Co.
Company Secretaries

SD/-
Jayavant Bhave
Proprietor
FCS: 4266 CP: 3068

Place: Pune
Date: May 24, 2019

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

We, Anjan Lahiri, Managing Director & CEO and Rajeev Gupta, Chief Financial Officer of Birlasoft 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, 2018 to March 31, 2019 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, 2018 to March 31, 2019 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, 2018 to March 31, 2019.

   (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.

Delhi
May 24, 2019

Anjan Lahiri
Managing Director & CEO

Rajeev Gupta
Chief Financial Officer

To
The Members
BIRLASOFT LIMITED
35 & 36, Rajiv Gandhi Infotech Park,
Phase - I, MIDC, Hinjawadi,
Pune – 411057, India.

Certificate of Non Disqualification of Directors

(Pursuant to Regulation 34(3) read with Schedule V Para-C sub clause (10) (i) of the SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018)

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Birlasoft Limited (L72200PN1990PLC059594)** (the "Company") having registered office at 35 & 36, Rajiv Gandhi Infotech Park, Phase - I, MIDC, Hinjawadi, Pune, MH 411057, 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 Sub clause 10(i) of the Securities and Exchange Board of India (SEBI) (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018.

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 confirm & certify that**, the directors of the Company as named below for the **Financial Year ending on March 31, 2019** have not been debarred or disqualified from being appointed or continuing as directors of the Company by SEBI, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Names of the present directors as on March 31, 2019.	DIN	Designations	Date of appointment in the Company.
1	Mrs. Amita Birla	00837718	Additional Director	January 15, 2019
2	Mr. Chandrakant Birla	00118473	Additional Director	January 15, 2019
3	Mr. AnjanLahiri	06407055	Managing Director	May 23, 2018
4	Mr. Pawan Sharma	01924215	Whole-time Director	January 15, 2019
5	Mr. Anant Talaulicar	00031051	Director	August 23, 2003
6	Ms. Alka Bharucha	00114067	Director	May 23, 2018
7	Mr. Ashok Kumar Barat	00492930	Additional Director	January 15, 2019
8	Ms. Nandita Gurjar	01318683	Additional Director	January 15, 2019
9	Mr. Prasad Thrikutam	06814004	Additional Director	January 15, 2019

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

Reshma Sarda-Vayase & Associates.
Company Secretaries,

sd/-
CS Reshma Sarda-Vayase
FCS-5754 CP-4388
May 24, 2019
Pune

Birlasoft Limited
CIN: L72200PN1990PLC059594
Registered Office: 35 & 36, Rajiv Gandhi Infotech Park, Phase - I, MIDC, Hinjawadi, Pune – 411057, India.
Tel.: +91–20–6652 5000, Fax: +91-20-6652 5001, Email:contactus@birlasoft.com Website: www.birlasoft.com

Subject: Green Initiative in Corporate Governance - Shareholders' Consent to receive communication in Electronic Form

Dear Shareholder,

Your Company is a firm believer of and has always been fostering green and inclusive growth. Co-innovation for green growth is now a quintessential part of your Company's values. Your Company has been taking major initiatives all along in green growth. For last several years we have been publishing its Corporate Sustainability Report, and is now taking the 'Green Initiative in Corporate Governance' in accordance with the agenda promoted by the Ministry of Corporate Affairs (MCA).

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.

In view of the above, we propose to send you 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, **Link Intime India Private Limited** at: sandip.pawar@linkintime.co.in. Alternatively, you may register your e-mail address with the Company by writing an email to contactus@birlasoft.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.**

Kindly note that shareholders are entitled to be furnished with a printed copy of all the shareholder communication and reports and the Company undertakes to provide the same at no extra cost to you, upon request.

We believe that by subscribing to this green initiative, you would be contributing towards the protection of your environment. We request your concurrence so as to enable us to e-mail the Annual Reports, Notices, etc. to you.

Thanking you,
For **Birlasoft Limited**
(Formerly KPIT Technologies Limited)

Sneha Padve
Company Secretary

Additional Shareholder Information

1.	**Registered and Corporate Office**	:	35 & 36, Rajiv Gandhi Infotech Park, MIDC, Phase - I, Hinjawadi, Pune – 411057. Tel. No.: +91-20-66525000, Fax No.: +91-20-66525001, Website: www.birlasoft.com.
2 .	**Date of Incorporation**	:	December 28, 1990
3.	**Registration No./CIN**	:	L72200PN1990PLC059594
4.	**Date, Time and Venue of 28th AGM**	:	August 7, 2019, 04:00 p.m., at Auditorium, Birlasoft Campus, 35 & 36, Rajiv Gandhi Infotech Park, Phase - I, MIDC, Hinjawadi, Pune – 411057. The Notice of the Annual General Meeting is being sent to the Members along with this Annual Report.
5.	**Record Date**	:	July 31, 2019
6.	**Dividend Payment Date**	:	After August 7, 2019, but within the statutory time limit of 30 days, subject to Members' approval.
7.	**Financial Year**	:	April 1, 2018 - March 31, 2019
8.	**Financial Calendar for 2019-20 (tentative and subject to change)**		
	Financial reporting for the first quarter ending June 30, 2019	:	August 7, 2019
	Financial reporting for the second quarter ending September 30, 2019	:	November 6, 2019
	Financial reporting for the third quarter ending December 31, 2019	:	January 29, 2020
	Financial reporting for the last quarter and year ending March 31, 2020	:	April 29, 2020
	Annual General Meeting for the year ending March 31, 2020	:	August 2020
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: BSOFT
	BSE Limited	:	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001. BSE Code: 532400
	ISIN of the Company	:	INE836A01035

The Company has paid the Annual Listing Fee for the financial year 2019-20 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:**

Link Intime India Private Limited, Contact Person: Mr. Sandip Pawar, Block No. 202, Akshay Complex, Off Dhole Patil Road, Near Ganesh Temple, Pune – 411001, Phone: +91-20-26161629, E-mail: sandip.pawar@linkintime.co.in. You can also contact Ms. Sneha Padve, Company Secretary and Compliance Officer, No.: +91-20-66525000 Extn. - 2133, Fax No.: +91-20-66525001, E-mail: sneha.padve@birlasoft.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@birlasoft.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 offices in Mumbai/Pune. 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, 2019, 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, 2019:**

Pursuant to the Composite scheme of arrangement amongst Birlasoft (India) Limited and KPIT Technologies Limited and KPIT Engineering Limited and their respective shareholders, 71,475,555 equity shares of ₹2/- each were allotted to National Engineering Industries Limited and 5,169,511 equity shares of ₹2/- each were allotted to the Central India Industries Limited on January 18, 2019.

Further, prior to January 1, 2019, the shares were allotted through the KPIT Technologies Employees Welfare Trust (“the Trust”), which is a trust formed for employee welfare activities, which includes, administration of the 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, 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 ESOP Committee during the year.

14. **Shareholding Pattern as on March 31, 2019:**

Category	No. of shares held	% of total share capital
Promoters	**112,945,785**	**41.20**
Public	**155,556,650**	**56.74**
Mutual Funds	9,540,426	3.48
Foreign Institutional Investors	92,724,937	33.82
Bodies Corporate	9,872,394	3.60
Non-Resident Indian	2,784,622	1.02
Others	40,634,271	14.82
Non-Promoter – Non-Public	**5,641,373**	**2.06**
TOTAL	**274,143,808**	**100.00**

15. As on March 31, 2019, 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	National Engineering Industries Limited	86,663,985	31.61	Promoter
2	Proficient Finstock LLP	15,130,949	5.52	Promoter
3	Central India Industries Limited	5,169,511	1.89	Promoter
4	Bengal Finance & Investment Private Limited	5,000,000	1.82	NBFCs registered with RBI
5	Ashish Kacholia	4,999,879	1.82	Public
6	New Horizon Opportunities Master Fund	4,999,000	1.82	Foreign Portfolio Investors (Corporate)
7	Acacia Partners, LP	4,800,000	1.75	Foreign Portfolio Investor (Corporate)
8	Acacia Institutional Partners, LP	4,597,575	1.68	Foreign Portfolio Investor (Corporate)
9	Acacia Conservation Fund LP	3,430,056	1.25	Foreign Portfolio Investor (Corporate)
10	ICICI Prudential Life Insurance Company Limited	3,201,208	1.17	Other Bodies Corporate
	TOTAL	**137,992,163**	**50.33**	

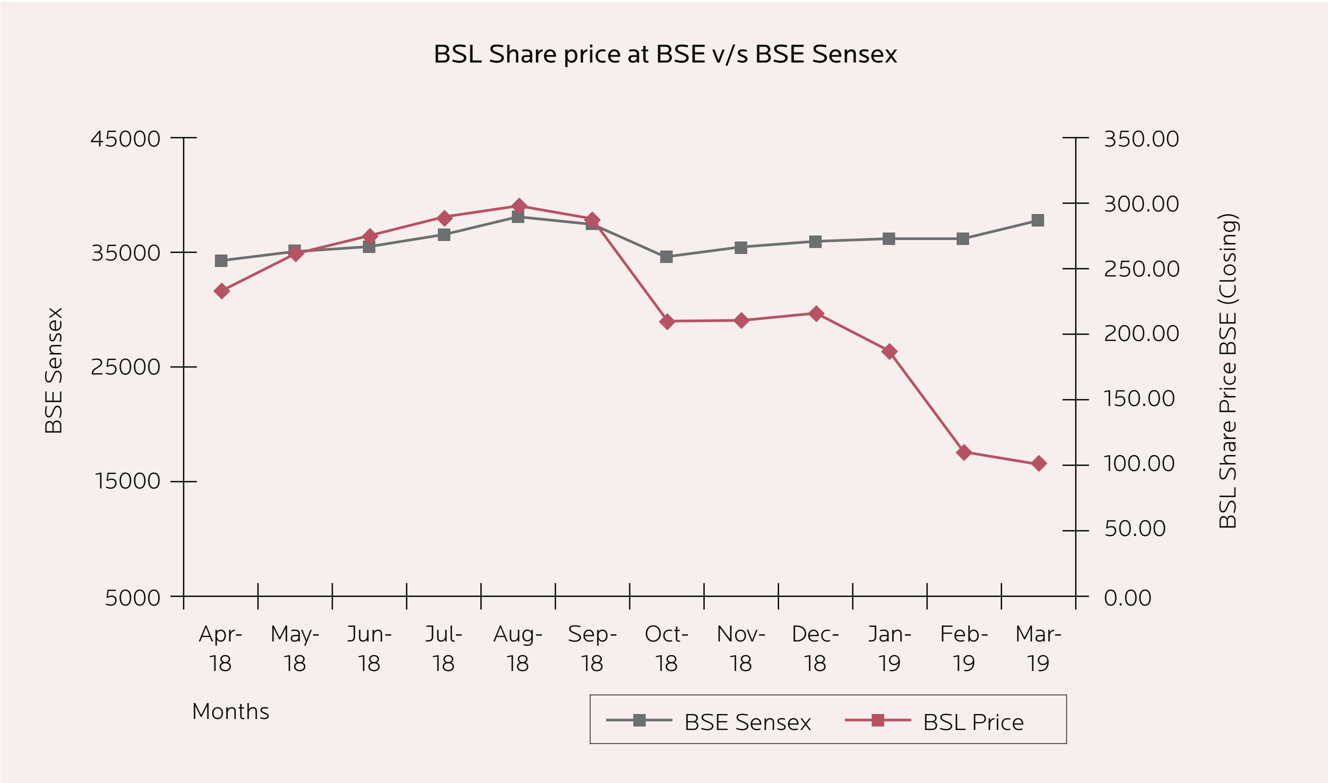
16. Distribution Schedule as on March 31, 2019:

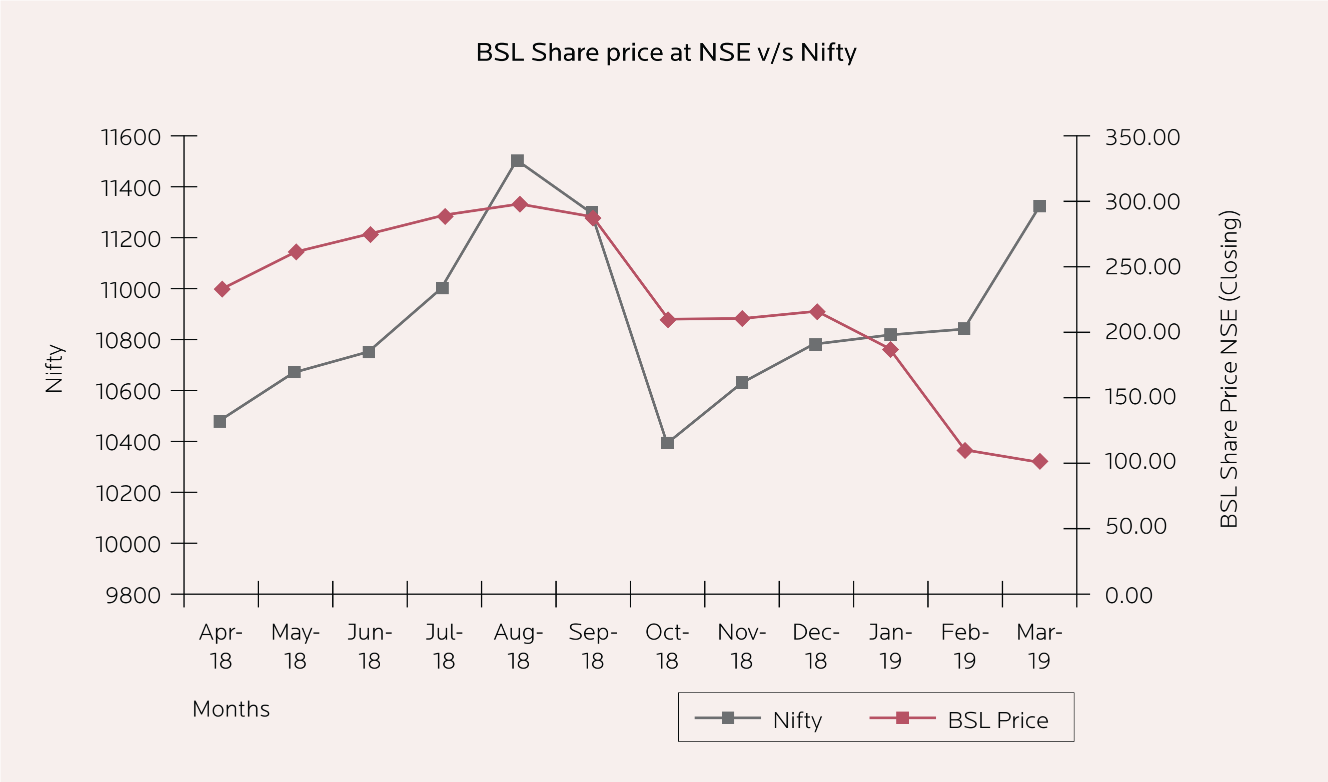
Quantity of Shares	Shareholders		Face Value of shares held (₹)	%
From – To	Number	%		
1 - 5,000	65,063	97.21	27,392,590	5.00
5,001 – 10,000	834	1.25	6,040,666	1.10
10,001 - 20,000	397	0.59	5,863,718	1.07
20,001 – 30,000	119	0.18	2,976,482	0.54
30,001 – 40,000	92	0.14	3,233,174	0.59
40,001 – 50,000	42	0.06	1,897,084	0.35
50,001 – 1,00,000	129	0.19	9,561,492	1.74
1,00,001 & above	254	0.38	491,322,410	89.61
TOTAL	**66,930**	**100.00**	**548,287,616**	**100.00**

17. Monthly high/low and average of the Company'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
Apr'18	259.80	214.95	232.70	44,467,682	259.80	217.35	232.46	2,618,180	47,085,862
May'18	279.20	245.50	261.12	42,512,122	278.90	244.15	261.01	1,961,774	44,473,896
Jun'18	290.40	250.10	274.92	39,653,957	290.00	250.00	274.77	3,680,131	43,334,088
Jul'18	305.00	265.15	288.60	46,982,514	304.45	265.05	288.46	2,814,798	49,797,312
Aug'18	309.95	285.95	297.36	36,161,527	311.85	283.45	297.12	2,109,711	38,271,238
Sep'18	314.50	207.85	287.31	55,796,502	314.80	207.55	287.11	2,656,488	58,452,990
Oct'18	227.00	186.70	209.60	47,359,405	229.80	187.00	209.80	3,041,329	50,400,734
Nov'18	224.00	196.25	211.37	26,243,535	224.00	196.50	211.02	1,390,750	27,634,285
Dec'18	233.00	201.25	216.47	31,538,335	233.00	201.35	216.20	1,449,544	32,987,879
Jan'19	221.20	103.40	187.23	118,605,041	221.60	106.60	187.18	27,256,530	145,861,571
Feb'19	116.85	92.60	110.08	69,784,612	117.00	92.70	110.02	4,579,623	74,364,235
Mar'19	117.80	93.80	102.02	24,729,645	117.70	94.00	101.98	1,809,189	26,538,834

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, 2019:

(₹ in million)

Year	Balance	Date of completion of 7 years *	Due Date for Transfer of shares and amount to IEPF
For the financial year 2011-12[#]	0.32	August 29, 2019	September 28, 2019
For the financial year 2012-13	0.51	August 15, 2020	September 14, 2020
For the financial year 2013-14	1.45	August 28, 2021	September 27, 2021
For the financial year 2014-15	1.78	September 22, 2022	October 22, 2022
For the financial year 2015-16 (Interim)	0.69	May 4, 2023	June 3, 2023
For the financial year 2015-16	0.63	September 27, 2023	October 27, 2023
For the financial year 2016-17	1.20	September 26, 2024	October 26, 2024
For the financial year 2017-18	0.77	October 2, 2025	November 1, 2025

* 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 the Investor Education and Protection Fund ("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.

[#] For the financial year 2011-12, the tentative corresponding number of shares liable to be transferred to the IEPF are 20,250 equity shares of ₹2/- each.

Please note that pursuant to Section 124(6), read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Amendment Rules, 2016 ("Rules") as amended from time to time, shares in respect of such dividend will be transferred in the name of IEPF including all benefits accruing on such shares. The Company has sent out individual communication to shareholders whose dividends remains unclaimed for seven years and published an advertisement in newspapers, inviting such shareholders to claim their dividend.

Accordingly, during the year, the Company transferred an amount of ₹186,471/- being the unclaimed dividend pertaining to the financial year 2010-11 to the ("IEPF"). Further, 9,139 corresponding shares were transferred to the IEPF Authority as required under the above referred rules. The information in respect of such shares is uploaded on the website of the Company (https://www.birlasoft.com/company/investors/policies-reports-filings).

Members can claim back such dividend and shares including all benefits accruing on such shares from the IEPF Authority after following the procedure prescribed in the Rules.

20. **Details of correspondence received from the Shareholders/Investors during the period from April 1, 2018 to March 31, 2019:**

Sr. No.	Nature of request/complaints	No. of pending requests/ complaints as on April 1, 2018	No. of requests/ complaints received	No. of requests/ complaints processed	No. of pending requests/ complaints as on March 31, 2019
	Requests				
1	Change of Address	Nil	10	10	Nil
2	Change of Signature	Nil	6	6	Nil
3	Registration of NECS/ECS details	Nil	17	17	Nil
4	Revalidation of warrants/Issue of fresh drafts	Nil	34	34	Nil
5	Correction of Name/Address	Nil	9	9	Nil
6	Stop Transfer/Procedure for Duplicate Share certificate	Nil	26	26	Nil
7	Stop transfer removal	Nil	4	4	Nil
8	Procedure for transmission/deletion/ transposition	Nil	5	5	Nil
9	Unclaimed Share Certificate	Nil	13	13	Nil
10	Dematerialization of shares	Nil	3	3	Nil
11	Receipt of IEPF 5 Claim form	Nil	3	3	Nil
12	Confirmation of Details/Others	Nil	6	6	Nil
13	KYC Updation as per SEBI circular	Nil	22	22	Nil
	Total	**Nil**	**158**	**158**	**Nil**
	Complaints				
1	SEBI	Nil	3	3	Nil
	Total	**Nil**	**3**	**3**	**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:**

The details of the Unclaimed shares of the Company are as follows:

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, 2018	20	38,000
(ii)	Number of shareholders from (i) above, who approached the Company for transfer of shares during the year from April 1, 2018 to March 31, 2019	4	7,000
(iii)	Number of shareholders from (ii) above, to whom shares were transferred (partially) during the year from April 1, 2018 to March 31, 2019	4	5,000
(iv)	Aggregate number of shareholders and the shares from (i) above, which were transferred to IEPF during the year from April 1, 2018 to March 31, 2019	2	2,000
(v)	Balance aggregate number of shareholders and the outstanding shares from (i) above, at the end of the year i.e. March 31, 2019 (Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares)	16	31,000
(vi)	Number of shares transferred to IEPF authority during the year from April 1, 2018 to March 31, 2019 (including shares & shareholders in (iv) above)	50	9,139

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
May 25, 2018	Audited consolidated financial results for the quarter and year ended March 31, 2018.	The Financial Express & Loksatta
July 27, 2018	Unaudited consolidated financial results for the quarter ended June 30, 2018.	The Financial Express & Loksatta
October 26, 2018	Unaudited consolidated financial results for the quarter and half year ended September 30, 2018.	The Financial Express & Loksatta
January 17, 2019	Unaudited consolidated financial results for the quarter and nine months ended December 31, 2018.	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.birlasoft.com.

24. **Board members' profiles:**

The Board of Directors of the Company consists of executive and non-executive members. The Board consists of following members:

Mrs. Amita Birla is Chairman of Birlasoft and the Co Chairman of the CK Birla Group. As Chairman, she leads long term strategy development and implementation in Birlasoft, and with her extensive experience she has successfully been leading companies across other industries. Her personal drive and leadership led to the transformation of Birlasoft from a fledgling startup to the global company that it is today, acknowledged as a differentiated Enterprise Digital IT Solution provider.

Mr. Chandrakant Birla is the Chairman of the CK Birla Group. The Group operates in three industry clusters: technology and automotive, home and building, and healthcare and education. He is a keen philanthropist who is committed to social development in India, the advancement of Science and technology, Art and Culture.

Mr. Anjan Lahiri holds a Master's in Business Administration, University of Florida, USA and is a Bachelor of Technology from Birla Institute of Technology India. He has rich and varied experience of around 28 years in Information Technology sector. He is a Managing Director and Chief Executive Officer of our Company upto May 31, 2019. Prior to this, Mr. Lahiri was Whole Time Director and Chief Executive Officer at Sasken Communication Technologies Limited. His previous roles with Mindtree Limited, Cambridge Technology Partners and Wipro Infotech complement his experience. Mr. Lahiri received the 'Michael Tokarz' award given to the topmost graduating student in the MBA Program of the Warrington College of Business at the University of Florida in Gainesville and 'Valedictorian speaker' at the MBA graduation ceremony.

Mr. Dharmander Kapoor will be the Chief Executive Officer (CEO) & Managing Director of the Company w.e.f. June 1, 2019. He has more than 28 years of experience in Leadership, Go-to-market Business Development, Enterprise IT delivery, Consulting/Transformation and Software Product Engineering. At Birlasoft, as the Chief Operating Officer, he manages its global operations, delivery, marketing and global business for BFSI, Europe and APAC. He is responsible for sustainable growth and margins. He has led the merger of Birlasoft (India) Limited with KPIT's IT services organization and is driving the integration and harmonization of the new organization for continued customer focus and growth. Mr. Kapoor is an executive with proven success and entrepreneurial leadership in growing businesses for information technology and solutions. As Chief Operating Officer at Birlasoft, he has shaped the new Birlasoft from being known as IT Service Provider for GE to an Enterprise Digital company. With his in-depth technical skills and impressive experience in consulting, he helped Birlasoft develop key IPs (3rdEye, ValueISM, Enterprise Digital, etc.) in delivering differentiated value to its clients. He is a regular speaker at industry events including Oracle OpenWorld, Dreamforce, NASSCOM, CIO Round Table, etc. and also enjoys publishing his thought leadership articles in various publications. He is known for his people and customer skills.

Mr. Pawan Sharma, an engineer by profession has done his Global Advance Management from ISB Kellogg. He also completed his certification on "Leading Digitial Transformation and Innovation" from Hasso Plattner Institute (Germany) and Stanford (USA). He has rich and varied experience of around 28 years in Information Technology sector. He is the CEO of Solutions & Services business and also the Head of Americas responsible for the business in North America, Canada and LATAM. He has served at HP, IBM and HCL in senior management roles and leading country and global P&L in consulting, operations & software. Mr. Sharma is also appointed on the advisory board of North Carolina State University and he is an active member of the Manufacturing Leadership Council of North America. He will cease to be the Whole-time Director of the Company w.e.f. May 31, 2019.

Mr. Anant Talaulicar holds a B.E. (Mechanical) degree from Mysore University, M.S. degree from the University of Michigan in Ann Arbor and a MBA from Tulane University, USA. Mr. Anant Talaulicar was a member of the Cummins Inc. global leadership team from August 2009 till October 2017, the Chairman and Managing Director of the Cummins Group in India from March 2004 through 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, Mr. Talaulicar 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.

Ms. Alka Bharucha holds B.A. (Hons.), L.L.B (University of Bombay), L.L.M (University of London), Solicitor, High Court (Mumbai) and Supreme Court of England and Wales. She is Member of Bar Council of Maharashtra and Goa, Bombay Incorporated Law Society. She is also an Advocate on Record, Supreme Court of India. Ms. Bharucha began her carrier with Mulla & Mulla & Craigie Blunt & Caroe and joined Amarchand & Mangaldas as partner in 1992. In 2008, she co-founded Bharucha & Partners which since inception has been ranked by RSG Consulting, London among the top fifteen firms in India. For years, she has been ranked by Chambers Global, Legal 500 and Who's Who Legal, etc. amongst India's leading lawyers. Ms. Bharucha chairs the transactions practice at Bharucha & Partners. Her core areas of expertise are mergers and acquisitions, joint ventures, private equity, banking and finance. Her general corporate work includes the establishment of mutual funds and providing regulatory advice to foreign institutional investors, foreign venture capital investors, merchant bankers and other financial intermediaries. She has particular experience acting for financial services clients as well as those in the telecommunications, power and logistics sector and is also actively engaged in representing trans-national corporations for investments in retail, defense and manufacturing space.

Mr. Ashok Kumar Barat was the Managing Director and Chief Executive Officer of Forbes & Company Limited, a BSE listed company (established in 1767), till June 2016. During his long and distinguished career, he has held leadership positions in various Indian and multinational organizations, both in India and overseas, namely Hindustan Lever Limited, RPG Group, Pepsi, Electrolux, Telstra and Kraft-Heinz. Mr. Barat is a member of the Managing Committee of ASSOCHAM. He has been a Trustee of the Mumbai Port Trust for some years and a past President of the Bombay Chamber of Commerce and Industry. In addition, he is a Certified Mediator empaneled with the Ministry of Corporate Affairs, Government of India. Mr. Barat is a Fellow Member of the Institute of Chartered Accountants of India and of the Institute of Company Secretaries of India, mentors budding entrepreneurs and advises companies on 'Strategy', 'Performance Improvement' and Governance initiatives. He is on the Board of various other entities, like Wacker Metroark Chemicals Private Limited (subsidiary of Wacker Chemie AG), Cholamandalam Investment & Finance Company Limited, DCB Bank Limited, Mahindra Intertrade Limited & Council of EU Chamber of Commerce in India, etc.

Ms. Nandita Gurjar is a technologist turned HR professional. Ms. Gurjar's experience in mainstream IT spans software development, general management and consulting. She started her career at Wipro InfoTech in 1992 as a software programmer and handled multiple technical responsibilities, in various functions like software Coding and Testing, Program documentation and quality. She joined Infosys Limited in December 1999 to form the Learning & Development wing and set-up the leadership institute. In 2003, she moved to the newly set-up subsidiary Infosys BPO (then called Progeon) to head the HR function where she was instrumental in scaling up the people function as the business grew to US $250 million and 16,000 employees. In 2007, she took over as Global Head HR for Infosys managing over 150,000 employees, she focused on making Infosys the preferred choice of global talent. She led the Infosys People strategy and employer branding across its global footprint. She was appointed as a member of Executive Council in 2011 and moved to the US Headquarters to manage the globalization initiatives of the organization. In 2013, she moved to head the Education & Research wing of Infosys which skilled the workforce on latest technologies and over saw over 1 million days of training annually. In April 2014, Ms. Gurjar got selected for Advanced Management Program (AMP) at Harvard Business School. She went on a sabbatical from Infosys for 6 months to join the program and upon her return exited from the Company. She was the member of World Economic Forum (WEF) – Global Advisory Council on New Models of Leadership. She is often invited to speak on HR strategy, work force management and business leadership. She has addressed several forums such as World Bank, Conference Board and Great Places to work, USA. She won the "Human Capital Business Leader" award from the Singapore Society of Human Resource Management and has also been featured as "25 Most Powerful Professional Women in India" in Business Today magazine.

Mr. Prasad Thrikutam is dynamic and innovative executive with an exemplary record of business success in both large public companies and medium sized founder led private companies. He has 25+ years of experience as C-suite Executive in Consulting and technology service industry. He is currently Founder and CEO for Mol.ai.cule and on the Advisory Board of TrueNorth Managers LLP one of India's largest PE companies. Mr. Thrikutam was the President and Global Head-Applications and Digital Business at Dell Services from 2014 to 2017. He was also the CTO responsible for strategy and business innovation for Dell across various business of Dell Technologies. He helped turn around the Dell services business and was the key Exces that helped the divestiture at a 3+b valuation to NTT. Mr. Thrikutam joined Dell in 2014 from Infosys where he held various key leadership roles from 1995 to 2014. He worked alongside the founders to scale Infosys from a US$ 27 million Company to a 10+b global brand. In the 19^{th} year when he left Infosys, he was part of the C-suite and an executive committee member responsible for ~25% of the Company's total operating margins heading several key verticals business globally; he was also the Head of Infosys Americas (65% of Infosys's revenue). Prior to that, he led the high-tech and discrete manufacturing P&L globally. His main expertise is in scaling medium sized business to large, highly differentiated and profitable business. He helped start several new businesses for Infosys and Dell including Consulting, Digital and new verticals like Retail, Oil & Gas, etc. each of these are today multiple billion $ businesses for the Companies. He is a thought leader with unique ability to drive CEO level engagement and excels at connecting several business and technology trends to articulate a comprehensive and winning business strategy. He has demonstrated this in every one of his roles in the past 25+ years. He has a strong industry network across several technology and services firms globally; having led several vertical businesses globally. He understands the unique challenges and opportunities across Hi-Tech, manufacturing, Oil & Gas, utilities, transportation, health-care, insurance, hospitality and services industries. Throughout his career, he has built globally diverse teams and inspired them to be highly cohesive and successful teams. He enjoys identifying and nurturing future leaders and has mentored several leaders including CEOs in his role as a board member. From 2006-2014, Mr. Thrikutam served on several boards – this includes Infosys BPO (700+m), Infosys China (150+m) and Infosys Public Services (120+m); he also served on the Board of Energetics, a leading global energy business based in Houston.

Mr. Sachin Tikekar is appointed on the Board of the Company w.e.f. June 1, 2019. He is a Co-founder and President of KPIT Technologies Limited. Over the years, he has provided leadership and guidance in many different areas of the Company. Mr. Tikekar holds a Masters' degree in Strategic Management and International Finance from Temple University's Fox School of Business and Management. He possesses more than 26 years of experience. He serves on the Boards of Nostrum High Performance, Inc and KPIT Technologies Limited. Mr. Tikekar is a member of the World Wildlife Federation and pursues his fascination with wildlife, nature and adventure through traveling.

Community Initiatives

(for the period April 1, 2018 to December 31, 2018)

The Company (erstwhile KPIT Technologies Limited) has worked on the following 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

The Company is committed towards giving our future generations a sustainable world through efficiency in our business operations and conservation of natural resources.

EDUCATION

We mean to change lives of individuals in our community through science and technology. The focus on science and technology is an immediate consequence of our conviction that innovation can change lives and that science acquires judicious reasoning. Starting as directly on time as secondary school.

Chhote Scientists

Igniting tha basics of Science amongst school going children with “Easy to make” & “fun to learn” Scientific toys

Smart India Hackathon

Partnering the World’s biggest digital movement

Atal Tinkering lab

Supporting atal tinkering lab

Sparkle 2019

All India Science and Engineering students contest

EMPLOYEE ENGAGEMENT

We use energy and skill of our colleagues to get a positive change in the communities that we live in. Be it disaster relief work, gift drives, volunteering drives or workshops, they all imbue the duty of our responsibility to society’s cause.

From January 1, 2019

ABOUT BIRLASOFT:

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 10,000 engineers, is committed to continuing our 150-year heritage of building sustainable communities.

COMMUNITY SERVICE:

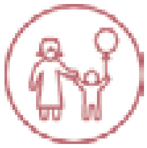
Community Service at Birlasoft is guided by the Mission statement –
"Making societies more productive by helping our customers run their business"

and driven by the Philosophy –
"Create. Collaborate. Change."

Birlasoft believes in the concept of 'sustainable development' and seeks to make a positive and sustainable impact to the society through its social programs. Birlasoft further aims to create need based community development model in collaboration with all our stakeholders.

How do we contribute to the society?

Environment Sustainability



Women and Child Development

ENVIRONMENT SUSTAINABILITY

shodhan

Initiative on Prevention of Crop Residue Burning to help us breathe clean

As part of the pilot project, Birlasoft had adopted two villages in Punjab - Ageti and Bibipur and ensured ZERO CROP BURNING in these regions. This year, we collaborated with CII Foundation in a public-private partnership model, along with eminent industry partners - Cummins, Oil and Natural Gas Corporation (ONGC), Renew Power and few others to stop stubble burning in the villages of Jasso Majra and Samana Block, Punjab.

Key Interventions:

- Conducted awareness sessions and behavioral communication campaigns to mobilize the farmers and their families
- Oriented farmers with new farm machineries which obviate the need for stubble burning through demos and trainings
- Provided machineries and its operating cost to the farmers during the harvest cycle to facilitate the process of clearing residue and preparing the field for new crop
- Provided remedial interventions to deal with straw management

Birlasoft wins 'SABERA' | Social and Business Enterprise Responsible Award for its CSR initiative SHODHAN in the potential impact and innovation category. 'SABERA' acknowledges business and social enterprises along with individuals working responsibly in putting the nation on the road of development.

WOMEN AND CHILD DEVELOPMENT

e-VIDYA
Enabling for better tomorrow

In the era of digitalization, computer literacy is a life skill. Through our community initiative 'e-vidya' we have pledged to enable better tomorrow for underprivileged children with improved access to computers and digital learning tools, especially for girls. The framework of the program harnesses the overall development of an individual and grooms the student for a new professional journey. Students are given basic computer knowledge through experts and trained on various soft skills.

Target Beneficiaries: Girl students of classes 9^{th}-12^{th} of Government Girls Inter College, Noida (approx. 500 students, duration – 8 months). The participating students will also be certified by National Institute of Electronics & Information Technology (NIELIT). NIELIT is associated with the Ministry of Electronics and Information Technology of the Government of India, and supports employability.

Our Differentiator: The program is managed end-to-end by our employee volunteers' who regularly engage with the students to extend 'Soft Skill Training' and facilitate 'Corporate Exposure'.

~2,000
Person-hours, of effort put in by employees

350
Girls, digitally literate

OTHER KEY INITIATIVES

These activities provide our employees with an outlet for giving back to the society. We believe that investing in the communities where we do business makes our culture more vibrant and our business stronger.

- Providing aid to NGO partners involved in child development - Fund Raising through in-house events and sponsoring school kits for under-privileged children through donation drives
- Organizing and participating in Green Drives - Promote recycling and spread awareness through various other initiatives

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company:** L72200PN1990PLC059594

2. **Name of the Company:**
Birlasoft Limited (formerly KPIT Technologies Limited)

3. **Registered address:**
35 & 36, Rajiv Gandhi Infotech Park, Phase – I, MIDC, Hinjawadi, Pune – 411057.

4. **Website:** www.birlasoft.com

5. **E-mail ID:** contactus@birlasoft.com

6. **Financial Year reported:** 2018-19

7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**
Computer programming, consultancy and related activity – Code 62011

8. **List three key products/services that the Company manufactures/provides (as in balance sheet):**

   a) Enterprise Resource Planning (ERP) Solutions;

   b) Customer Relationship Management and Customer Experience Solutions; and

   c) Digital Technologies.

   For details please refer Board's Report which forms a part of this Annual Report.

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

   a) **Number of major international locations:**

Sr. No.	Region	Country
1	USA	United States of America, Canada
2	Europe	United Kingdom, France, Germany
3	APAC	United Arab Emirates, Singapore, Malaysia

   b) **Number of National Locations:**
      i. Pune, Maharashtra
      ii. Mumbai, Maharashtra
      iii. Bengaluru, Karnataka
      iv. Chennai, Tamil Nadu
      v. Noida, Uttar Pradesh
      vi. Hyderabad, Telangana

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)** – 548.29 million

2. **Total Turnover (INR)** – 10,019.87 million

3. **Total profit after taxes (INR)** - 1,676.34 million

4. **Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) (INR) –**

   The Company was required to spend ₹43 million towards Corporate Social Responsibility. During the year, the Company has spent and paid ₹43.50 million (Previous year ₹27.17 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.

5. **List of activities in which expenditure in 4 above has been incurred -**

   a) Water Conservation Program
   b) Zero Garbage Project
   c) Chhote Scientists
   d) Teach for India
   e) Smart India HACKATHON
   f) Shodhan
   g) e-Vidya
   h) Avartan Gurukul Project
   i) Healthcare

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 Infosystems Limited (UK)	Wholly owned subsidiary
2	Birlasoft (UK) Limited	Subsidiary of Birlasoft Inc.
3	KPIT Technologies France	Wholly owned subsidiary
4	KPIT Solutions GmbH	Subsidiary of KPIT Infosystems Limited (UK)
5	Birlasoft GmbH	Subsidiary of Birlasoft (UK) Limited
6	Birlasoft Solutions Incorporated (Formerly KPIT Infosystems Incorporated)	Wholly owned subsidiary
7	Sparta Consulting Inc.	Subsidiary of Birlasoft Solutions Incorporated
8	Birlasoft Computer Corporation (Formerly Systime Computer Corporation)	Wholly owned subsidiary
9	Birlasoft Inc.	Wholly owned subsidiary
10	Enable Path LLC	Subsidiary of Birlasoft Inc.
11	Birlasoft Technologies Canada Corporation (Formerly KPIT Technologies Corporation)	Subsidiary of Birlasoft Computer Corporation
12	KPIT Technologies Solucoes em Informatica Ltda.	Subsidiary of Birlasoft Solutions Incorporated
13	KPIT Infosystems Mexico S.A. DE C.V. (with effect from October 25, 2018)	Subsidiary of Birlasoft Solutions Incorporated
14	Birlasoft Sdn Bhd	Wholly owned subsidiary
15	KPIT Infosystems ME FZE	Wholly owned subsidiary

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).**

   Yes, two subsidiaries take up BR initiatives in line with the initiatives of the parent company.

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%].**

   Yes, it is less than 30%.

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: 06407055
      2. Name: Mr. Anjan Lahiri
      3. Designation: Managing Director & CEO

   b) **Details of the BR head:**

No.	Particulars	Details
1	DIN	06407055
2	Name	Mr. Anjan Lahiri
3	Designation	Managing Director & CEO
4	Telephone number	+91-20-66525000
5	E-mail ID	contactus@birlasoft.com

   c) **Management representative:** Mr. Rajeev Gupta – Chief Financial Officer

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 (like ISO 9001, ISO 14000, OHSAS 18000, OHSAS 27001:2005, ISO 20000:2011, ISO 22301:2012) 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)									

c) 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.birlasoft.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, 3 (three) complaints were registered with the Securities and Exchange Board of India (“SEBI”). All these complaints were received during the last quarter of the financial year post demerger and were related to the shares of the resulting company. All these complaints were satisfactorily resolved in the said quarter.

   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 the Company’s, Customers’ and Suppliers’ resources and competition.

   It is applicable to all Directors and employees (all Birlasoft 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.**

   The Company is in the business of software development services and products. Hence, these products do not attract social or environmental concerns, risks and/or opportunities.

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?**

   The Company is in the business of software development services and products. Therefore, these products require minimal usage of energy, water, raw material, etc.

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 the Company represents contribution to the following areas namely: Solar Energy, Waste Management, Environment Awareness and Occupational Health & Safety.

   Solar Energy: Solar Panel Installation
   The Company has initiated many projects to cut down energy and water consumption. The latest project undertaken is to generate energy through solar power plant which has been installed on roof top of cafeteria as well as on terrace.

   Highlights of the project:

   - Solar system is installed on power purchase model
   - System has 397 panels installed with a generation capacity of 125kW
   - Total units generated through this plant will be 180,000 units p.a.
   - These units will save up to 5% of total consumption of SDB-1
   - This installation will reduce the impact of direct sunlight on the roof top of cafeteria. The floors below will be much cooler and employees will get more comfort during summers.
   - This system is directly connected to the main LT panel feeder, so we will get benefit in reducing the MSEDCL kWh units.
   - These units will have a fixed rate for next 15 years resulting in a saving of ₹2 lakhs p.a. with existing rate of MSEDCL.

Waste Management:
Being an IT services company, there are no significant primary emissions or process wastes. Due to the nature of our business, waste generation is limited and restricted primarily to Municipal Solid Waste ("MSW"). Other wastes include e-waste and a small proportion of hazardous waste like waste lube oil, etc. Our waste management practice seeks to reduce the environmental impact of this limited waste to the maximum extent possible by reduction in generation and segregation at source.

We continuously encourage the employees to reduce food waste through awareness posters, daily food waste generation communication. Daily food waste is monitored and the quantity being wasted is published to all employees on a daily basis.

E-waste Management:
Being an IT company, the Company generates e-waste like laptops, computers, monitors, servers, etc. Apart from this we also generate electrical waste like wires, switches, lamps, etc. The Company's waste management procedure is the defining guideline for handling all types of waste and complying with the Government and Maharashtra Pollution Control Board ("MPCB") norms.

In the financial year 2018-19, e-waste has not been disposed off, however, as and when it will be generated, we will dispose it through government authorized handlers/recyclers.

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 the manufacturer under "Planet HP Take Back Program" to ensure proper recycling.

Occupational Health and Safety:

The Company has always considered its employees as the most valuable asset of the organization. Towards this end, the Company constantly undertakes initiatives to ensure the safety and well-being of its employees at workplace.

The Company engages its employee and third-party vendors in various EOHS initiatives held in the organization. The hazard identification and risk assessment is carried out in consultation with relevant stake holders, employees and third party vendors. The implemented controls are monitored and evaluated regularly to ensure employee safety all the time at workplace.

Few of the activities performed towards occupational health and employee safety:

- Awareness program for Digital Media Manager (DMM)
- Floor meeting by Nutritionist
- OHSAS awareness Floor Walks
- Periodic Evacuation Drills
- Quarterly EOHS Newsletters
- E-learning module on EOHS for all employees.

b) **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 Company through its CSR activities contributes to the society through its projects "E Vidya" – Digital Literacy for the students of Government Schools and another Project named "Shodhan" which is stop crop reduce burning in the villages of Punjab.

We also give priority to dealing with many MSME Suppliers which is "The Micro, Small & Medium Enterprises Suppliers", which helps in improving their capacity and capability.

c) **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:

- 60% of the water treated through sewage treatment plant and is recycled and used for gardening purpose.
- Biodegradable waste such as paper, plastic, cardboard, steel, other metal, etc. are sent for recycling through authorized vendor.
- Municipal solid waste is sent through authorized vendor. Hazardous and e-waste generated in organization is disposed through government authorized recycler.

Principle 3

1. **Please indicate the total number of employees.**
   10,431
2. **Please indicate the total number of employees hired on temporary/contractual/casual basis.**
   1,123 (i.e. 10.76%) of employees are hired through contractors and sub-contractors.
3. **Please indicate the number of permanent women employees.**
   2,029 (i.e. 19.45%) are women employees.
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.**

   There were no complaints received relating to child labour, forced labour and involuntary labour during the year. Further, 4 complaints were received relating to sexual harassment during the year and they were satisfactorily resolved by the Company.

8. **What percentage of your under mentioned employees were given safety & skill upgradation Training in the last year?**

   As a process we provide Information Security, POSH & Fire safety training to all the employees. InfoSec. & POSH Training is mandatory for all the new joinees as a part of day 1 Induction & Fire safety is conducted on a quarterly basis.

Principle 4

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

   Yes. The Company has mapped its internal and external stakeholders 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, meeting with eminent personalities and team building activities
Local community	CSR activities
Investors and shareholders	Analyst calls, 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.**

   The Company aims to **CREATE** sustainable community driven model and **COLLABORATE** the stakeholder efforts for developmental **CHANGE** in ecosystem.

   The Company is guided by the Mission statement “Making Societies more productive by helping our customers run their business”. We work towards producing an overall positive impact on society in line with the Values and Culture of Birlasoft, by delivering economic, social and environmental benefits to all stakeholders. The Community initiatives undertaken at Birlasoft is the commitment of the business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life. The Company’s Community initiatives aligns their corporate goals with those of society. Birlasoft understands there’s more to being a part of community than just running a business. We believe in giving back to the society where we live, work and play. Keeping this ideology, as part of our “Community initiatives” program, Birlasoft has identified themes for improvement and upliftment of the society we serve. The thematic area of initiatives are centered on environment, women and child health & education; the strong pillars of sustainability.

   Shodhan (Pollution Control):

   It is a known fact that Delhi-NCR, home to over 20 million people remains covered with smog during early winter months of October & November. NASA images reflected that the burning of crop stubble during harvest season in Punjab, Haryana, Rajasthan and Uttar Pradesh is considerably impacting the pollution level of this region.

   Stubble burning is economical and cleans the field completely for sowing of new crops, but it has many harmful effects on the environment and livelihood. The fact that the time gap to sow new crop during October and November is only 15-20 days, make the farmers resort to the burning of crops. To lessen the worries of farmers of Punjab and to lend them a helping hand, the Company initiated a Community Initiative called 'Shodhan'. Shodhan, in Hindi, signifies 'Purification'.

In 2017, Shodhan set up its footprints in two villages of Punjab, both of which had witnessed stubble burning in the past. In Phase 1 of Shodhan, the Company created a difference in these two villages by creating awareness about harmful effects of stubble burning and the alternatives available. In Phase 2, the Company 10xed the impact it created in Phase 1, which was possible because of the Company's volunteers, who contributed their effort and time in the initiative, their never-ending support to the farmers' family, took the project to the next level.

The Company won 'SABERA', Social and Business Enterprise Responsible Award for this Community Initiative, in the potential impact and innovation category. 'SABERA' acknowledges business and social enterprises along with individuals working responsibly in putting the nation on the road of development.

e-Vidya (Computer Literacy):

Computing has made a phenomenal rise in last five decades, mankind's dependency on technology has increased manifold. But facts reveal that women are not engaging with computing at the same rate as men. Indian women are facing many societal and cultural factors which bars them to learn the stream. Computer, being elective subject in many schools is the primary reason of disconnect. It's the enduring problem of putting Education before Technology. The Company analyzed this concern and launched the Community Initiative of e-vidya, to support the computer literacy of Indian women. The aim of the program is the overall development of an individual, thus students are given basic computer knowledge through experts and are also trained on various soft skills for a successful foundation.

Phase 1 of e-Vidya, has already been completed successfully, by providing digital literacy to underprivileged girls. On successful completion of Phase 1, the meritorious students were supported with school kit for the entire academic session and top performers were rewarded cycles, so that the dearth of these necessities is not a roadblock in their success journey.

In this era of digitalization, computer literacy is a life skill and through e-vidya, we pledge to enable a better tomorrow for the next generation.

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?

   The policies not only cover employees but also contractors, clients and others.

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

   No complaints were received relating to human rights during the year.

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 only the activities in the Company and Group but does not extend to suppliers, contractors, NGOs and 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.

   No.

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

   Yes, company has identified the potential environmental risks.

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?

   Not applicable.

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 Questions 1, 2 & 5 of Principle 2 and Question 3 of Principle 4 of this Report.

   https://www.birlasoft.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 the Company's Registered & Corporate Office situated in Pune, is under the permissible limits of the Maharashtra Pollution Control Board ("MPCB"). We have a continuous monitoring and tracking system in place which is reviewed periodically.

   The Company's environmental policy is designed as per the requirement of ISO standard 14001:2015.

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 the MPCB for financial year 2018-19.

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:** Yes, as follows:

   a. Mahratta Chamber of Commerce, Industries and Agriculture (MCCIA);

   b. National Association of Software and Services Companies (NASSCOM);

   c. Confederation of Indian Industry (CII); and

   d. Hinjawadi Industries Association (HIA).

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).**

   No.

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. Our in-house team of volunteers are actively engaged in ground activities like trainings, baseline survey, coaching, etc.

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 the relevant Annexure of the Board's Report relating to Corporate Social Responsibility Activities 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.**

   At the Company in majority of the initiatives we encourage mass volunteering as we believe that we can make a larger impact by involving the actual efforts of the community/ villagers.

   Community involvement in implementation: Quality of the work to be delivered is a major checklist on the Company's initiatives. In line with this we had a proper system in place when it came to the community involvement. Thereby, we decided to run the project with the help of resources (man & material) available in the village itself. Thus, we eliminated the role of contractors, as this would enable us to have a direct control on the process and the participation from the community would be effective eliminating the malpractices. This led the system to be transparent and accountable which in turn enabled us to implement the project successfully.

Further, the community participated in terms of their manual efforts and to some extent with financial resources. For e.g. the community arranged tractors on their own to carry the de-silted muds otherwise which involves a cost.

Community involvement in execution: As execution defines the quality and the level of success of a project it becomes very essential that there are concerned authorities in place to monitor successful implementation of the project. Thus, representatives from the community have some responsibilities vested with them, e.g., all the machineries are maintained and looked after by them.

Further, in Shodhan initiative, team of volunteers conducted physical check of agricultural land covered under the project. Also, CII foundation conducted soil test and shared report on impact of activities and resulting changes. Through the interventions made under project 90% of the land, achieved the target.

Lastly, around 60% e-vidya students cleared National Institute of Electronics & Information Technology ("NIELIT") exam and got certification in BCC and CCC. Robust monitoring and post implementation assessment was conducted in both the initiatives.

Principle 9

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

   The customer complaints are technology specific and are resolved at the delivery of the software and before contract closure. There are no customer complaints that are material in nature.

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).**

   Since, the Company is in the business of software solutions, this requirement does not strictly apply to the Company.

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.**

   There is no unfair trade practices, irresponsible advertising and/or anti-competitive behavior case pending against the Company.

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

   Yes, customers share their feedback quarterly (or at defined frequency agreed with customer) through a web-based system - CSAT Survey, considering various parameters like delivery, quality, cost, responsiveness, etc.

Independent Auditors' Report

To
the Members of
Birlasoft Limited (Erstwhile KPIT Technologies Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Birlasoft Limited (Erstwhile KPIT Technologies Limited) ("the Company"), which comprise the standalone balance sheet as at 31 March 2019, 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 the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit and other comprehensive income, 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

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. The revenue recognized over a period of time, computed as per the input method based on management's estimate of contract costs and efforts for completion of contract (Refer 1.2 to the standalone financial statements), is a key audit matter considering:	Our audit procedures in this area included the following: • Obtained an understanding of the systems, processes and controls implemented by the management and evaluated the design and implementation of internal controls for recording and calculating revenue and the associated contract assets and unearned revenue.

Description of Key Audit Matter

The key audit matter	How the matter was addressed in our audit
• There is an inherent risk around the accuracy of revenues given the customised and complex nature of these contracts; • Application of the revenue recognition accounting standard is complex and involves a number of key judgements and estimates including estimating the future cost-to-completion of these contracts, which is used to determine the percentage of completion of the relevant performance obligation. • These contracts may involve onerous obligations on the Company that require critical estimates to be made by the management.	• Tested the operating effectiveness of key internal financial controls over recording and calculating revenue and the associated contract assets and unearned revenue in respect of selected samples of contracts. • Tested the system application controls and application controls over Information Produced by the Entity for planned cost and actual costs reports. • For selected samples of contracts, we inspected the terms of the contract and assessed that the revenue recognized is in accordance with Ind AS 115 by: ➢ Evaluating the identification of performance obligation ➢ Challenging management's estimate of contract cost through a retrospective comparison of costs incurred with estimated costs to identify significant variations and verify whether those variations have been considered in estimating the remaining costs to complete the contract. ➢ Assessed the appropriateness of work in progress (contract assets) on the balance sheet by evaluating the underlying documentation to identify possible delays in achieving milestones which may require change in estimated costs to complete the remaining performance obligations. ➢ Performed analytical procedures for reasonableness of incurred and estimated contract costs or efforts including assessment of contracts with unusual or negative margins, little or no movement in efforts from previous periods and little or no movement in invoicing from previous periods. ➢ Performed test of details to test the contract revenue and contract costs with the underlying documents and recalculate the contract asset and unearned revenue recognized as at year end.

The key audit matter	How the matter was addressed in our audit
Accounting for the effects of the composite scheme of arrangement in respect of merger and subsequent demerger: The Company has entered into a scheme of arrangement ("the scheme") for merger of Birlasoft (India) Limited with Birlasoft Limited (BSL) (erstwhile KPIT Technologies Limited) and subsequent demerger of BSL into BSL and KPIT Technologies Limited (Erstwhile KPIT Engineering Limited). The scheme has been approved by the National Company Law Tribunal, Mumbai Bench ('NCLT). This is a key audit matter as the scheme has a pervasive impact on the financial statements of the Company. The Company has accounted for merger and demerger in its books as per the Composite Scheme of arrangement as approved by the NCLT.	Our audit procedures in this area included the following: • Inspected agreements related to the merger and demerger as mentioned in the scheme. • Agreed the balances acquired on merger to the audited financial statements of Birlasoft (India) Limited as on 31 December 2018. • Tested the accounting entries for the merger are in accordance with the scheme approved by NCLT. • Tested the accounting entries for the demerger are in accordance with the scheme approved by NCLT.

Information Other than the Standalone Financial Statements and Auditors' 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 financial statements and our auditors' 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, 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 Responsibility 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company 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, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting 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.

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 auditors' 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government 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.

   (A) As required by Section 143(3) of the Act, we report 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

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 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 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 Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its standalone financial statements - Refer Note 41(2) to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

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) 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

Place: New Delhi
Date: 24 May 2019

Annexure A to the Independent Auditors' report on the standalone financial statements of Birlasoft Limited (Erstwhile KPIT Technologies Limited) for the year ended 31 March 2019

With reference to the Annexure referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular program of physical verification of its fixed assets by which its fixed assets are verified in a phased manner of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such verification.

(c) Pursuant to the composite scheme of arrangement, the Company is in the process of transferring the title deeds of the immovable properties in the name of the Company.

(ii) The Company does not hold any inventory as at year end. Accordingly, paragraph 3(ii) of the Order is not applicable.

(iii) The Company has granted unsecured loan to one body corporate covered in the register maintained under Section 189 of the Act. In our opinion and according to the information and explanations given to us, the terms and conditions of this loan are not prejudicial to the interest of the Company. The principal and the interest were not due for repayment during the year. There were no amounts overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act with respect to the loans given, investments made and guarantees given during the year. The Company has not given any loan, guarantee or security covered under section 185 of the Act during the year.

(v) The Company has not accepted any deposits in accordance with the provisions of sections 73 to 76 of the Act and the rules made there under.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered or products manufactured by the Company.

(vii) (a) 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 Provident fund, Employees' State Insurance, Income tax, Duty of Customs, Goods and Services Tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services Tax, cess and other material statutory dues were in arrears as at 31 March 2019, 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 dues of Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax or Goods and Service Tax, which have not been deposited by the Company on account of disputes except for the following:

Name of the Statute	Nature of Dues	Forum where the dispute is pending	Period to which the amount relates	Amount demanded ₹ million	Amount paid ₹ million
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	2004 – 2011	54.28	Nil
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax Appeals	2006 – 2012	5.07	Nil
Income Tax Act, 1961	Income Tax	Assistant Commissioner of Income Tax	2009 – 2012	64.32	Nil
Income Tax Ac, 1961	Income Tax	Delhi High Court	2004 – 2010	602.19	Nil
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax Appeals	2011 – 12 and 2014 – 15	64.38	Nil
Finance Act, 1994	Service tax	Central Excise & Service Tax Appellate Tribunal	Jan 2013 – Mar 2015	244.78	43.13
Finance Act, 1994	Service tax	Supreme Court of India	Oct 2006 – Mar 2014	469.65	Nil
Finance Act, 1994	Service tax	Bombay High Court	2007 – 08 and 2008-09	28.60	Nil
Tamil Nadu Value Added Tax Act, 2006	Value Added Tax	Madras High Court	2004-05	10.80	Nil
Central Sales Tax Act 1956	Sales Tax	Deputy Commissioner of Sales Tax (Appeals)	2008 – 2011	0.90	0.02

viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its banks and financial institutions or to the government. The Company did not have any debentures during the year.

(ix) In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised. The Company has not raised money by way of further public offer (including debt instruments) during the year.

Annexure A to the Independent Auditors' report on the standalone financial statements of Birlasoft Limited (Erstwhile KPIT Technologies Limited) for the year ended 31 March 2019 (continued)

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us, the managerial remuneration is paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as per the Act. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of the Act and the details, as required by the applicable accounting standards have been disclosed in the standalone Ind AS financial statements.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partially convertible debentures during the year. Accordingly, Paragraph 3(xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934.

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: New Delhi
Date: 24 May 2019

Annexure B to the Independent Auditors' report on the standalone financial statements of Birlasoft Limited (Erstwhile KPIT Technologies Limited) for the year ended 31 March 2019

Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

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

Opinion

We have audited the internal financial controls with reference to financial statements of Birlasoft Limited (Erstwhile KPIT Technologies Limited) ("the Company") as of 31 March 2019 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 2019, 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 financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: New Delhi
Date: 24 May 2019

Balance Sheet as at 31 March 2019

(Amount in ₹ million)

	Note	31 March 2019	31 March 2018 (Refer note 44)
ASSETS			
Non-current assets			
Property, plant and equipment	2A	1,381.18	2,888.95
Capital work-in-progress		-	68.06
Other intangible assets	2B	166.86	745.93
Intangible assets under development		-	223.93
Financial assets			
Investment	3	3,663.34	5,907.46
Loans	4	88.20	232.02
Other financial assets	5	72.06	10.12
Income tax assets (net)		450.93	641.02
Deferred tax assets (net)	6	1,098.89	785.85
Other non-current assets	7	51.14	64.83
		6,972.60	**11,568.17**
Current assets			
Inventories	8	-	27.72
Financial assets			
Investments	9	1,908.97	1,184.75
Trade receivables	10	3,728.11	5,477.33
Cash and cash equivalents	11	820.01	1,471.66
Other balances with banks	11	154.74	52.35
Loans	12	102.07	247.23
Unbilled revenue	32(b)	439.27	464.50
Other financial assets	13	1,813.26	2.35
Other current assets	14	699.11	517.97
		9,665.54	**9,445.86**
TOTAL ASSETS		**16,638.14**	**21,014.03**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	548.29	379.03
Other equity	30	11,294.04	14,663.33
		11,842.33	**15,042.36**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	-	662.06
Provisions	18	294.56	319.38
Other non-current liabilities	17	56.08	-
		350.64	**981.44**
Current liabilities			
Financial liabilities			
Borrowings	19	381.12	1,835.07
Trade payables	20		
Outstanding dues of micro enterprises and small enterprises		10.51	0.99
Outstanding dues of creditors other than micro enterprises and small enterprises		1,148.43	692.86
Other financial liabilities	21	2,080.73	1,150.70
Other current liabilities	22	504.74	885.73
Provisions	23	50.85	215.63
Income tax liabilities (net)		268.79	209.25
		4,445.17	**4,990.23**
TOTAL EQUITY AND LIABILITIES		**16,638.14**	**21,014.03**
Significant accounting policies	1		
Notes referred to above form an integral part of the standalone financial statements	2 - 45		

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration Number :101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place: New Delhi
Date: 24 May 2019

For and on behalf of the Board of Directors of
BIRLASOFT LIMITED (Erstwhile KPIT Technologies Limited)
CIN: L72200PN1990PLC059594

Rajeev Gupta
Chief Financial Officer

Amita Birla
Chairman
DIN : 00837718

Sneha Padve
Company Secretary

Anjan Lahiri
CEO & Managing Director
DIN: 06407055

Place: New Delhi
Date: 24 May 2019

Statement of Profit and Loss for the year ended on 31 March 2019

(Amount in ₹ million)

	Note	31 March 2019	31 March 2018 (Refer note 44)
Continuing Operations			
Revenue from operations	24	10,019.87	8,090.50
Other income	25	248.90	287.61
Total income		**10,268.77**	**8,378.11**
Expenses			
Employee benefits expense	26	6,275.01	5,332.22
Finance costs	27	53.84	35.67
Depreciation and amortization expense	2 (iii)	390.23	347.63
Other expenses	28	2,099.11	1,450.79
Total expenses		**8,818.19**	**7,166.31**
Profit before tax		**1,450.58**	**1,211.80**
Tax expense	43		
Current tax		528.42	220.65
Deferred tax (benefit)/charge		(136.85)	89.41
Total tax expense		**391.57**	**310.06**
Profit for the year from continuing operations		1,059.01	901.74
Profit from discontinued operations before tax	44	733.98	794.82
Tax expenses of discontinued operations	44	116.65	(78.94)
Profit from discontinued operations after tax		617.33	873.76
Profit for the year		**1,676.34**	**1,775.50**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		(13.03)	(43.48)
Income tax on items that will not be reclassified to profit or loss		3.53	12.76
Items that will be reclassified to profit or loss			
Effective portion of gains/(losses) on hedging instruments in cash flow hedges		66.15	(128.69)
Income tax on items that will be reclassified to profit or loss		(22.47)	44.54
Total other comprehensive income		**34.18**	**(114.87)**
Total comprehensive income for the year		**1,710.52**	**1,660.63**
Earnings per equity share for continuing operations (face value per share ₹2 each)			
Basic	39	4.95	4.68
Diluted	39	4.89	4.53
Earnings per equity share for discontinued operations (face value per share ₹2 each)			
Basic	39	2.88	4.54
Diluted	39	2.85	4.38
Earnings per equity share for continuing and discontinued operations (face value per share ₹2 each)			
Basic	39	7.83	9.22
Diluted	39	7.74	8.91
Significant accounting policies	1		
Notes referred to above form an integral part of the standalone financial statements	2 - 45		

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration Number :101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place: New Delhi
Date: 24 May 2019

For and on behalf of the Board of Directors of
BIRLASOFT LIMITED (Erstwhile KPIT Technologies Limited)
CIN: L72200PN1990PLC059594

Rajeev Gupta
Chief Financial Officer

Amita Birla
Chairman
DIN : 00837718

Sneha Padve
Company Secretary

Anjan Lahiri
CEO & Managing Director
DIN: 06407055

Place: New Delhi
Date: 24 May 2019

Statement of Cash Flows for the year ended on 31 March 2019

(Amount in ₹ million)

Particulars		31 March 2019	31 March 2018
A]	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit for the year	1,676.34	1,775.50
	Adjustments for		
	Income tax expense	508.22	231.12
	(Profit)/Loss on sale of fixed assets (net)	0.13	(1.33)
	Depreciation/Amortization	878.41	725.30
	Write-down of slow moving inventory	-	25.97
	(Profit) on sale of investment (net)	-	(25.55)
	Interest expense	122.20	48.31
	Interest income	(163.23)	(47.34)
	Dividend income	(52.76)	(49.90)
	Gain on sale/redemption of mutual funds	(110.11)	-
	Fair value loss on financial assets (investments) at fair value through profit or loss	70.23	-
	Unrealised foreign exchange loss/(gain)	96.21	(199.93)
	Provision for doubtful debts and advances (net)	57.27	104.64
	Bad debts written off	21.88	11.54
	Share based compensation expenses	27.23	13.44
	Operating Profit before working capital changes	**3,132.03**	**2,611.77**
	Adjustments for changes in working capital:		
	Trade receivables and unbilled revenue	(180.71)	(523.63)
	Inventories	13.87	21.30
	Loans, other financials assets and other assets	(4,114.50)	(123.91)
	Trade Payables	390.79	117.87
	Other financial liabilities, other liabilities and provisions	1,233.79	888.23
	Cash generated from operations	475.26	2,991.63
	Taxes Paid	(180.33)	(334.99)
	Net cash from operating activities (A)	**294.93**	**2,656.64**
B]	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment	(792.70)	(997.21)
	Proceeds from sale of property, plant and equipment	1.39	1.69
	Investment in Equity Shares of Subsidiaries	(184.57)	(368.50)
	Purchase of investments carried at fair value through profit and loss (net)	-	(524.62)
	Sale of investments carried at fair value through profit and loss (net)	1,701.17	143.10
	Loan repaid by subsidiary	100.00	269.96
	Interest received	152.73	58.24
	Dividend received	52.76	49.90
	Fixed Deposit with banks having original maturity over three months (net)	(139.45)	8.75
	Net Cash used in investing activities (B)	**891.33**	**(1,358.69)**

Statement of Cash Flows for the year ended on 31 March 2019

(Amount in ₹ million)

Particulars	31 March 2019	31 March 2018
C] CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long term loan from banks	(89.40)	(647.65)
Repayment of Long term loan from other than banks	-	(8.70)
Proceeds from issue of Share Capital and application money	16.57	5.12
Repayment of Working Capital loan (Net)	(1,402.65)	(72.53)
Proceeds from sale of shares by Employee Welfare Trust (net)	173.61	107.17
Dividend paid including corporate dividend tax	(553.51)	(502.98)
Interest and finance charges	(112.76)	(47.43)
Net cash used in financing activities (C)	**(1,968.14)**	**(1,167.00)**
D] Exchange differences on translation of foreign currency cash and cash equivalents	(22.88)	8.42
Net Increase/ (decrease) in cash and cash equivalents (A + B+ C + D)	**(804.76)**	**139.37**
Cash and cash equivalents at close of the year (refer note 1 below)	820.01	1,471.66
Cash and cash equivalents at beginning of the year (refer note 1 below)	1,471.66	1,332.29
Cash and cash equivalents received pursuant to the Composite Scheme (net) (Refer note 44)	153.11	-
Cash surplus/(deficit) for the year	**(804.76)**	**139.37**
Note 1 :		
Cash and cash equivalents include:		
Cash on hand	0.02	0.03
Cheques in hand	15.27	7.24
Balance with banks		
- In current accounts	743.95	1,084.39
- In deposit accounts (with original maturity of 3 months or less)	60.77	380.00
Total Cash and cash equivalents	**820.01**	**1,471.66**
Note 2:		
Figures in brackets represent outflows of cash and cash equivalents.		
Note 3:		
The above Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind-As) 7 on Statement of cash flows.		

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number :101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place: New Delhi
Date: 24 May 2019

For and on behalf of the Board of Directors of
BIRLASOFT LIMITED (Erstwhile KPIT Technologies Limited)

Rajeev Gupta
Chief Financial Officer

Amita Birla
Chairman
DIN : 00837718

Sneha Padve
Company Secretary

Anjan Lahiri
CEO & Managing Director
DIN: 06407055

Place: New Delhi
Date: 24 May 2019

Statement of Changes in Equity for the year ended on 31 March 2019

A. Equity share capital

(Amount in ₹ million)

	Amount
Balance as at 1 April 2017	376.39
Changes in equity share capital during 2017-18	2.64
Balance as at 31 March 2018	**379.03**
Changes in equity share capital during 2018-19	169.26
Balance as at 31 March 2019	**548.29**

B. Other equity

(Amount in ₹ million)

	Share application money pending allotment Employee Welfare Trust (EWT)	Reserves & surplus								Items of other comprehen-sive income	Total
		Capital Reserve	Capital redemp-tion reserve	Securities premium reserve	Share based payment reserve	General reserve	Amalgama-tion reserve	Retained earnings	Remeasurement of the net defined benefit Plans (Refer note 35(2) & (3))	Effective portion of cash flow hedges (Refer note 29)	
Balance as on 1 April 2017	**0.11**	**19.40**	**40.00**	**3,904.43**	**168.76**	**354.00**	**51.40**	**8,802.37**	**(47.57)**	**73.91**	**13,366.81**
Profit for the year	-	-	-	-	-	-	-	1,775.50	-	-	1,775.50
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	(30.72)	(84.15)	(114.87)
Total comprehensive income for the year	-	-	-	-	-	-	-	1,775.50	(30.72)	(84.15)	1,660.63
Transactions with owners recognised directly in equity											
Dividends	-	-	-	-	-	-	-	(414.53)	-	-	(414.53)
Dividend distribution tax	-	-	-	-	-	-	-	(88.45)	-	-	(88.45)
Accumulated deficit of employee welfare trust	-	-	-	-	-	-	-	107.17	-	-	107.17
Share based payments to employees	-	-	-	-	29.22	-	-	-	-	-	29.22
Changes during the year	2.48	-	-	-	-	-	-	-	-	-	2.48
Balance as on 31 March 2018	**2.59**	**19.40**	**40.00**	**3,904.43**	**197.98**	**354.00**	**51.40**	**10,182.06**	**(78.29)**	**(10.24)**	**14,663.33**
Balance as on 1 April 2018	**2.59**	**19.40**	**40.00**	**3,904.43**	**197.98**	**354.00**	**51.40**	**10,182.06**	**(78.29)**	**(10.24)**	**14,663.33**
Profit for the year	-	-	-	-	-	-	-	1,676.34	-	-	1,676.34
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	(9.50)	43.68	34.18
Total comprehensive income for the year	-	-	-	-	-	-	-	1,676.34	(9.50)	43.68	1,710.52
Transactions with owners recognised directly in equity											
Dividends	-	-	-	-	-	-	-	(456.59)	-	-	(456.59)
Dividend distribution tax	-	-	-	-	-	-	-	(97.43)	-	-	(97.43)
Share based payments to employees	-	-	-	-	39.89	-	-	-	-	-	39.89
Application money received during the year	11.88	-	-	-	-	-	-	-	-	-	11.88
Effect on account of merger (Refer note 44)	-	160.26	-	-	-	1,400.00	-	2,082.48	-	-	3,642.74
Effect on account of demerger (Refer note 44)	(14.47)	(179.66)	-	-	-	(1,754.00)	-	(6,306.58)	44.16	(9.75)	(8,220.30)
Transfer to share based payment reserve (Refer note 42(5))	-	-	-	-	255.76	-	-	(255.76)	-	-	-
Transer from share based payment reserve	-	-	-	89.86	(132.69)	-	-	42.83	-	-	-
Balance as on 31 March 2019	**-**	**-**	**40.00**	**3,994.29**	**360.94**	**-**	**51.40**	**6,867.35**	**(43.63)**	**23.69**	**11,294.04**

Significant accounting policies 1
Notes referred to above form an integral part of the standalone financial statements 2 - 45

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration Number :101248W/W-100022

For and on behalf of the Board of Directors of
BIRLASOFT LIMITED (Erstwhile KPIT Technologies Limited)
CIN: L72200PN1990PLC059594

Swapnil Dakshindas
Partner
Membership No. 113896

Rajeev Gupta
Chief Financial Officer

Amita Birla
Chairman
DIN : 00837718

Sneha Padve
Company Secretary

Anjan Lahiri
CEO & Managing Director
DIN: 06407055

Place: New Delhi
Date: 24 May 2019

Place: New Delhi
Date: 24 May 2019

Company Overview

Birlasoft Limited (Erstwhile KPIT Technologies Limited) ("the Company") is a public limited Company incorporated under the Companies Act, 1956 and its shares are listed on the National Stock Exchange and Bombay Stock Exchange. The Company's registered office is in Pune and it has subsidiaries and branches across multiple geographies. Most of the revenue is generated from the export of services.

The Company provides Software Development, global IT consulting and Product Engineering solutions to its clients, predominantly in Automotive and Transportation, Manufacturing and Energy and Utilities verticals. The Company is also engaged in the production of Integrated Systems, under Product Engineering Solutions vertical.

During the year, the Company entered into the composite scheme of arrangement for (a) amalgamation of Birlasoft (India) Limited (Transferor company) with Birlasoft Limited (Erstwhile KPIT Technologies Limited) (Transferee company or demerged company) and (b) demerger of engineering business of Birlasoft Limited (Erstwhile KPIT Technologies Limited) into KPIT Technologies Limited (Erstwhile KPIT Engineering Limited) (Resulting company) which has been approved by the National Company Law Tribunal (NCLT) Mumbai Bench on 29 November 2018 and certified copy of the order was received on 18 December 2018.

These financial statements were authorized for issue by the Company's Board of Directors on 24 May 2019.

1. Significant accounting policies

Basis of preparation of standalone financial statements

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 Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 , the provisions of Companies Act, 2013 and the composite scheme approved by NCLT. The standalone financial statements are presented in millions of Indian rupees rounded off to two decimal places, except per share information, unless otherwise stated.

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.

These financial statements have been prepared on the historical cost basis except business combination (other than business combination under common control), 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.

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 recognized in the year in which the results are known/materialized.

Critical accounting estimates

a. 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 estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and satisfaction of performance obligation. 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 reporting date.

b. Income tax

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions.

c. Measurement of defined benefit obligation and key actuarial assumptions

Information about assumptions and estimation uncertainties in respect of defined benefit obligation and share based payment in note 35 and note 42 respectively.

d. 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 identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets.

1.1 Current–non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a. it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is expected to be realized 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 Company'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 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.

1.2 Revenue recognition

The Company earns revenue primarily from providing IT services, consulting and business solutions. The Company offers a consulting-led, integrated portfolio of IT.

Effective 1 April 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognized at the date of initial application (i.e. 1 April, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the consolidated statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. Refer note 2(f) – Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended 31 March 2018, for revenue recognition policy as per Ind AS 18 and Ind AS 11. The impact of adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognized on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognized using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation.
- Revenue from third party software is recognized upfront at the point in time when software is delivered to the customer, such revenue is recognized on net basis when company is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions 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. Revenue also excludes taxes collected from customers.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned revenue ("contract liability") is recognized when there is billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with Ind AS 37, the Company recognizes an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by geography and business verticals.

Use of significant judgment's in revenue recognition

- 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.

- 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. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- 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 standalone 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.
- 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.
- Revenue for fixed-price contracts is recognized using 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.

1.3 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized 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.

1.4 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 , than 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 recognized in the Statement of Profit and Loss. Assets under construction are disclosed as capital work-in-progress.

1.5 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 recognized in the Statement of Profit and Loss as incurred.

Intangible assets are derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal or when the economic benefits are not measurable.

1.6 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(1)	25
Plant and equipment(1)	4
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.

Leasehold land and vehicles taken on lease are amortised over shorter of useful lives and period of lease.

Perpetual software licenses are amortized over 4 years. However, time-based software licenses are amortized over the license period.

Capitalized development costs are amortized 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.

1.7 Impairment

a. 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 recognizes 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 recognized is recorded as an impairment gain or loss in Statement of Profit or Loss.

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 recognized when the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's fair value less cost of disposal and value in use. For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Intangible assets which are not yet available for use are tested for impairment annually. Other assets (tangible and intangible) are reviewed at each reporting date to determine if there is any indication of impairment. For assets in respect of which any such indication exists and for intangible assets mandatorily tested annually for impairment, the asset's recoverable amount is estimated.

If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the assets or CGU's recoverable amount is estimated. For assets other than goodwill, the impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Such a reversal is recognized 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.

1.8 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.

1.9 Leases

a. Finance lease

Assets acquired under finance leases are recognized at the lower of the fair value of the leased assets at inception of the lease or the present value of the minimum lease payments. Lease payments are apportioned between the finance charge and the reduction of outstanding liability. The finance charge is allocated to periods during the lease terms at a constant periodic rate of interest on the remaining balance of the liability.

b. Operating lease

Lease arrangements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor, are classified as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on straight line basis over the term of the lease, unless the increase in rentals is in line with expected general inflation.

1.10 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 for the year 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.

1.11 Foreign currency transactions

a. Functional and presentation currency

Indian Rupee is the Company's functional as well as presentation currency.

b. 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 realized exchange differences are recognized in the Statement of Profit and Loss. Non-monetary items denominated in foreign currencies and measured at fair value are translated into the functional currency at the exchange rate prevalent at the date when the fair value was determined. Non-monetary items denominated in foreign currencies and measured at historical cost are translated into the functional currency at the exchange rate prevalent at the date of transaction.

c. Translation of foreign operations

For translating the financial statements of foreign branches, their functional currencies are determined. The results and the financial position of the foreign branches are translated into presentation currency so that the foreign operation could be included in the standalone financial statements.

1.12 Employee benefits

i) Post-employment benefit plans

Defined benefit plan

The Company'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 recognized in Other Comprehensive Income for the period in which they occur. Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss. Past service cost is recognized 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 recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized 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.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

ii) Other employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized 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.

1.13 Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the Statement of profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized 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 recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). A deferred income tax asset is recognized 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 recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum Alternate Tax

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognized as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognized 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 recognized as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

1.14 Provisions, Contingent liabilities and Contingent assets

The Company recognizes 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 recognized 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 recognized 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 recognized in the standalone financial statements since this may result in the recognition of income that may never be realized.

Onerous contracts

Provisions for onerous contracts are recognized 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 recognizes any impairment loss on the assets associated with that contract.

Warranty

The Company has an obligation by way of warranty to maintain the software during the period of warranty, as per the contractual requirements, for certain products/licenses. Costs associated with such sale are accrued at the time when related revenues are recorded and included in cost of service delivery. The Company estimates such cost based on historical experience and the estimates are reviewed periodically for material changes in the assumptions.

Decommissioning Liability

The Company uses various premises on lease to run its operation and records a provision for decommissioning costs to be incurred for the restoration of these premises at the end of the lease period. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as an interest expense. The estimated future costs of decommissioning and interest rate are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

1.15 Research and development:

Costs incurred during the research phase of a project are expensed when incurred. Costs incurred in the development phase are recognized as an intangible asset in accordance with policy defined in 1.5.

1.16 Employee stock option

In respect of stock options granted pursuant to the Company's Employee Stock Option Scheme, the Company recognizes 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.

1.17 Investment in subsidiaries

Investment in subsidiaries are measured at cost less impairment.

1.18 Financial instruments

a. Initial recognition

Financial assets and liabilities are recognized 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.

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 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 recognized in Other Comprehensive Income.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized 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 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 recognized initially at fair value and attributable transaction costs are recognized 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 realized 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 recognized 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 recognized 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 recognized 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 recognized in cash flow hedging reserve is transferred to the Statement of Profit and Loss.

The amount recognized 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 (Birlasoft Limited (erstwhile 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 recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/ from share premium.

c. Derecognition of financial instruments

The Company derecognizes 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 derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

d. Fair value of financial instruments

The Company 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 realized.

For all other financial instruments the carrying amount approximates fair value due to short maturity of those instruments.

Fair value measurements

The Company measures financial instruments, such as, derivatives and investments in mutual funds at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a. In the principal market for the asset or liability, or

b. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

a. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

b. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

c. Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the Standalone Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's finance team determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The team comprises of the head of the treasury operation and chief finance officer.

External valuers are involved for valuation of significant assets and liabilities. Involvement of external valuers is decided on the basis of nature of transaction and complexity involved. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the finance team analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the team verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. A change in fair value of assets and liabilities is also compared with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.19 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the standalone statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Company's cash management.

1.20 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.21 Discontinued Operations

A discontinued operation is a component of the Company's business, the operations and cash flows of which can be clearly distinguished from those of the rest of the Group and which represents a separate major line of business or geographical area of operations and

- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or

- is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

When an operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period

1.22 Business combinations

a. Business combinations are 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.

   Transaction costs that the Company 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.

   Impact of any changes in the purchase consideration, after the measurement period, is recorded in the Statement of Profit and Loss.

b. Goodwill represents the cost of business acquisition in excess of the Company'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 recognized immediately in net profit in the Statement of Profit and Loss. Goodwill is measured at cost less accumulated impairment losses.

c. Business combinations arising from transfer of interests in entities that are under the control of the shareholder that control the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established.

   Business combinations involving entities that are controlled by the group are accounted for using the pooling of interests method as follows:

   - The assets and liabilities of the combining entities are reflected at their carrying amounts.
   - The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
   - The difference, if any, between consideration and the amount of share capital of required entity is transferred to capital reserve.

1.23 Recent accounting pronouncements

Certain new standards, amendments to standards and interpretations are effective for annual periods beginning after 01 April 2019, and have not been applied in preparing these standalone financial statements. New standards, amendments to standards and interpretations that could have potential impact on the standalone financial statements of the Company are:

i) Ind AS 116: Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognizes right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

The Company will adopt Ind AS 116 effective annual reporting period beginning 01 April 2019, using the modified retrospective approach. Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognized as an adjustment to the opening balance of retained earnings as on 01 April 2019.

The Company is evaluating the impact of the new standard on the standalone financial statements.

ii) Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgment, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company is evaluating the impact of the new standard on the standalone financial statements.

iii) Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

iv) Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

v) Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings. The Company does not expect any impact from this amendment

vi) Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any long-term interests in associates and joint ventures.

vii) Ind AS 103 – Business Combinations and Ind AS 111 - Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control of a business that is a joint operation.

Notes forming part of the standalone financial statements for the year ended on 31 March 2019

(Amount in ₹ million)

2A Property, plant and equipment

(Amount in ₹ million)

	Land (Leasehold)	Building	Leasehold improvements	Plant and Equipment	Furniture and Fixtures	Vehicle		Office Equipments	Total
						Leased	Owned		
Gross carrying amount as at 1 April 2017	**449.52**	**474.08**	**255.30**	**918.80**	**136.81**	**6.71**	**14.55**	**293.34**	**2,549.11**
Additions	19.64	867.94	3.99	228.72	33.64	-	4.32	173.61	1,331.86
Disposal/retirements/derecognition	-	-	-	1.71	0.03	-	-	0.56	2.30
Gross carrying amount as at 31 March 2018	**469.16**	**1,342.02**	**259.29**	**1,145.81**	**170.42**	**6.71**	**18.87**	**466.39**	**3,878.67**
Accumulated depreciation as at 1 April 2017	**12.32**	**51.62**	**36.25**	**401.44**	**31.16**	**4.40**	**4.88**	**89.58**	**631.65**
Depreciation (Refer note (iii) below)	6.67	28.78	41.65	223.77	19.29	1.31	4.40	34.14	360.01
Disposal/retirements/derecognition	-	-	-	1.58	0.02	-	-	0.34	1.94
Accumulated depreciation as at 31 March 2018	**18.99**	**80.40**	**77.90**	**623.63**	**50.43**	**5.71**	**9.28**	**123.38**	**989.72**
Gross carrying amount as at 1 April 2018	469.16	1,342.02	259.29	1,145.81	170.42	6.71	18.87	466.39	3,878.67
Additions	-	124.99	2.94	482.27	23.02	-	10.55	57.90	701.67
On account of merger	-	-	651.51	192.63	68.13	-	1.74	135.01	1,049.02
Disposal/retirements/derecognition	-	-	-	9.23	-	-	-	0.56	9.79
Transfer on account of demerger	405.40	1,080.97	112.99	742.33	132.87	6.71	25.54	330.09	2,836.90
Gross carrying amount as at 31 March 2019	**63.76**	**386.04**	**800.75**	**1,069.15**	**128.70**	**-**	**5.62**	**328.65**	**2,782.67**
Accumulated depreciation as at 1 April 2018	18.99	80.40	77.90	623.63	50.43	5.71	9.28	123.38	989.72
Depreciation (Refer note (iii) below)	5.68	50.89	55.76	251.75	20.59	0.95	3.68	44.07	433.37
On account of merger	-	-	161.05	116.42	38.72	-	0.66	65.47	382.32
Disposal/retirements/derecognition	0.07	-	-	8.27	-	-	-	-	8.27
Transfer on account of demerger	15.24	46.27	18.24	203.95	35.88	6.66	8.78	60.63	395.65
Accumulated depreciation as at 31 March 2019	**9.43**	**85.02**	**276.47**	**779.58**	**73.86**	**-**	**4.84**	**172.29**	**1,401.49**
Carrying amount as at 1 April 2018	**450.17**	**1,261.62**	**181.39**	**522.18**	**119.99**	**1.00**	**9.59**	**343.01**	**2,888.95**
Carrying amount as at 31 March 2019	**54.33**	**301.02**	**524.28**	**289.57**	**54.84**	**-**	**0.78**	**156.36**	**1,381.18**

(Amount in ₹ million)

2B Intangible assets

	Internally Generated	Other than Internally Generated	Total
	Product Development Cost (Refer note (iv) and (v))	Software	
Gross carrying amount as at 1 April 2017	**276.29**	**818.01**	**1,094.30**
Additions	507.58	168.09	675.67
Gross carrying amount as at 31 March 2018	**783.87**	**986.10**	**1,769.97**
Accumulated depreciation as at 1 April 2017	185.24	473.51	658.75
Depreciation (Refer note (iii) below)	110.12	255.17	365.29
Accumulated depreciation as at 31 March 2018	**295.36**	**728.68**	**1,024.04**
Gross carrying amount as at 1 April 2018	**783.87**	**986.10**	**1,769.97**
Additions	179.39	346.51	525.90
On account of merger	-	119.38	119.38
Transfer on account of demerger	804.37	716.38	1,520.75
Gross carrying amount as at 31 March 2019	**158.89**	**735.61**	**894.50**
Accumulated depreciation as at 1 April 2018	**295.36**	**728.68**	**1,024.04**
Depreciation (Refer note (iii) below)	204.75	240.29	445.04
On account of merger	-	111.91	111.91
Transfer on account of demerger	389.96	463.39	853.35
Accumulated depreciation as at 31 March 2019	**110.15**	**617.49**	**727.64**
Carrying amount as at 1 April 2018	**488.51**	**257.42**	**745.93**
Carrying amount as at 31 March 2019	**48.74**	**118.12**	**166.86**

Note :

(i) Refer note 16 and 19 for details of property, plant and equipment pledged as security for borrowings.

(ii) Consequent to composite scheme of arrangement and change in name of entity, the process for transfer of title deeds of the land and building of the Company is initiated and is in process.

(iii) Depreciation and amorisation of continuing operations relating to Property, plant and equipment and Intangible assets for current year is ₹390.23 million (Previous year: 347.63 million)

(iv) With respect to some of the intangible assets, change in the technology resulted in obsolescence of the assets and hence the assets were impaired during the previous year, resulting in an impairment loss of ₹17.64 million, recognised under depreciation and amortisation expense in the Statement of Profit and Loss.

(v) With respect to one of the intangible assets, the Company is unable to track separately the future economic benefits and the expected cash flows, but yielding results at the combined business level. Further, it is difficult to assess the period over which the benefits are expected to flow. Hence, during the year ended 31 March 2019, the Company has impaired the intangible asset, resulting in an impairment loss of ₹56.68 million recognised under depreciation and amortisation expense in the Statement of Profit and Loss in discontinued operations.

(Amount in ₹ million)

3. Investment in subsidiaries

Particulars	31 March 2019	31 March 2018 (Refer note 44)
Investments (Unquoted)		
Investments in equity instruments of subsidiaries (at cost)		
Birlasoft Computer Corporation, USA (Erstwhile SYSTIME Computer Corporation, USA)	469.36	469.36
A wholly owned subsidiary company incorporated in USA		
[204,082 (Previous year 204,082) common stock of issued equity, no par value]		
KPIT Infosystems ME FZE, Dubai	25.41	25.41
A wholly owned subsidiary company incorporated in Dubai		
[1 (Previous year 1) equity share of nominal value of AED 1,000,000]		
KPIT Technologies (UK) Limited	-	827.08
A wholly owned subsidiary company incorporated in UK		
[Nil (Previous year 10,215,966) Equity shares of £1/- each fully paid-up]		
Birlasoft Solutions Inc, USA (Erstwhile KPIT Infosystems Incorpoarated, USA)	2,879.17	2,879.17
A wholly owned subsidiary company incorporated in USA		
[12,467 (Previous year 12,467) Equity stock without par value fully paid-up]		
Birlasoft Inc , USA	25.90	-
A wholly owned subsidiary company incorporated in USA		
[10,000,000 (Previous year Nil) Equity shares of ₹2.59 each fully paid up]		
KPIT Technologies France SAS	215.97	215.97
A wholly owned subsidiary company incorporated in France		
[100,000 (Previous year: 100,000) Equity stock of Euro 1 each fully paid-up]		
KPIT (Shanghai) Software Technology Co. Limited, China	-	128.84
A wholly owned subsidiary company incorporated in China		
[Nil (Previous year 14,074,702) Equity shares of RMB 1 each fully paid-up]		
KPIT Technologies Netherlands B.V.	-	34.30
A wholly owned subsidiary company incorporated in Netherlands		
[Nil (Previous year 5,000) Equity shares of Euro 100 each fully paid-up]		
KPIT Technologies Solucoes EM Informatica Ltda.	0.04	0.04
A subsidiary of Birlasoft Solutions Inc (erstwhile KPIT Infosystems Incorporated, USA)		
[1,000 (Previous year 1,000) shares of Brazilian Reas 1 each fully paid-up]		
Impact Automotive Solutions Limited	-	1,326.29
A wholly owned subsidiary company incorporated in India		
[Nil (Previous year 136,750,000) Equity shares of ₹10 each fully paid-up]		
KPIT Technologies Limited (Erstwhile KPIT Engineering Limited)	-	1.00
A wholly owned subsidiary company incorporated in India		
[Nil (Previous year 99,994) Equity shares of ₹10 each fully paid-up]		
Birlasoft Sdn Bhd	0.00*	-
A wholly owned subsidiary company incorporated in Malaysia		
[5,000 (Previous year Nil) equity shares of ₹12.125 each fully paid-up]		
KPIT Infosystems Ltd	47.49	-
A wholly owned subsidiary company incorporated in UK		
[50,000 (Previous year Nil) Equity Shares of £ 1 fully paid-up]		
	3,663.34	**5,907.46**

* Since denominated in ₹ Million

(Amount in ₹ million)

4. Loans

Particulars	31 March 2019	31 March 2018 (Refer note 44)
(Unsecured, considered good unless otherwise stated)		
Loans and advances to related parties (Refer note 37)		
- Loan to director	-	11.81
- Loan to Impact Automotive Solutions Limited	-	101.33
Loans and advances to other than related parties		
- Security deposits	88.20	115.56
- Loan to employees	-	3.32
	88.20	**232.02**

Note:

(i) Information about the Company's exposure to interest rate risk and credit risk is disclosed in note 29.

5. Other financial assets

Particulars	31 March 2019	31 March 2018 (Refer note 44)
(Unsecured, considered good unless otherwise stated)		
Fixed deposits with banks	68.30	9.64
Interest accrued on fixed deposits	3.76	0.48
	72.06	**10.12**

Note:

(i) Information about the Company's exposure to interest rate risk and liquidity risk is disclosed in note 29.

6. Deferred tax assets

Particulars	31 March 2019	31 March 2018 (Refer note 44)
Deferred tax assets		
-Provision for doubtful debts and advances	77.24	59.57
-Provision for compensated absences	36.01	45.27
-Provision for gratuity	82.30	105.21
-Provision for Indirect tax	1.42	1.57
-Bonus Payable	4.67	-
-Excess of depreciation/amortisation on fixed assets provided in accounts over depreciation/amortisation as provided under income-tax law	111.63	-
-Forward contracts designated as cash flow hedges	-	5.42
-Rent equalization reserve	5.54	-
-Transaction Cost	302.07	-
MAT credit entitlement	516.98	642.51
	1,137.86	**859.55**
Deferred tax liabilities		
-Excess of depreciation/amortisation on fixed assets under income-tax law over depreciation/amortisation provided in accounts	-	71.47
-Forward contracts designated as cash flow hedges	11.80	-
-Forward contracts designated as fair value through profit and loss	16.40	-
-Gratuity fund planned asset	4.27	-
-Others	6.50	2.23
	38.97	**73.70**
Net deferred tax assets	**1,098.89**	**785.85**

(Amount in ₹ million)

7. Other non-current assets

Particulars	31 March 2019	31 March 2018 (Refer note 44)
(Unsecured, considered good unless otherwise stated)		
Capital advances	2.54	9.38
Advance rentals	21.70	27.53
Prepaid expenses	5.04	7.52
Balance in Group Gratuity Trust Account	21.86	20.40
	51.14	**64.83**

8. Inventories

Particulars	31 March 2019	31 March 2018 (Refer note 44)
(Valued at the lower of cost and net realisable value)		
Raw materials (Refer note (i) below)	-	23.02
Work-in-progress	-	0.44
Finished goods	-	0.11
Stores and spares	-	4.15
	-	**27.72**

Note :

i) During the previous year, the Company had written-down its slow moving inventory ₹25.97 million with corresponding effect on cost of materials consumed in the Statement of Profit and Loss in discontinued operations.

9. Current investments

Particulars	31 March 2019	31 March 2018 (Refer note 44)
Investments in equity instruments of other entities measured at fair value through Profit or Loss (unquoted)		
Saraswat Co-operative Bank Limited	0.00*	0.00*
1 (Previous year 1) equity share of ₹10 each fully paid up		
Investments in Mutual funds measured at fair value through Profit or Loss (quoted)		
Nil units (Previous year 882,300 units) Birla Sun Life Savings Fund - Daily Dividend - Regular Plan	-	88.47
Nil units (Previous year 234,874 units) - Axis Liquid Fund - Daily Dividend	-	235.20
Nil units (Previous year 115,857 units) Reliance Liquid Fund- Treasury Plan- Daily Dividend Option	-	177.21
Nil units (Previous year 184,588 units) Kotak Floater Short Term- Daily Dividend	-	186.73
Nil units (Previous year 1,838,983 units) ICICI Prudential Money Market Fund - Daily dividend	-	184.24
Nil units (Previous year 309,076 units) L&T Liquid Fund - Regular Daily Dividend Reinvestment Plan	-	312.90
135,131 units (Previous year Nil units) L&T Liquid fund Regular Growth	345.08	-
126,173 units (Previous year Nil units) Kotak liquid Regular Plan-Growth	476.01	-
101,124 units (Previous year Nil units) HDFC Liquid Fund-Regular Plan- Growth	370.15	-

(Amount in ₹ million)

9. Current investments (Contd.)

Particulars	31 March 2019	31 March 2018 (Refer note 44)
672,404 units (Previous year Nil units) ICICI Prudential Liquid Fund- Growth	185.19	-
31,777 units (Previous year Nil units) ICICI Prudential Money Market Fund- Growth	8.22	-
1,753,558 units (Previous year Nil units) Aditya Birla sun life liquid Fund-Growth	524.32	-
	1,908.97	**1,184.75**

* Since denominated in ₹ Million

Note :

(i) The details of aggregate value of quoted/unquoted investments and the Company's exposure to liquidity risk and credit risk are disclosed in note 29.

10. Trade receivables

Particulars	31 March 2019	31 March 2018 (Refer note 44)
(Unsecured)		
Trade Receivables considered good	3,728.11	5,477.33
Trade Receivables - credit impaired	170.51	187.61
	3,898.62	**5,664.94**
Less: Allowances for bad and doubtful trade receivables	170.51	187.61
	3,728.11	**5,477.33**

Note :

(i) Trade receivables from related parties are disclosed in note 37.

(ii) The Company's exposure to credit risk, currency risk and loss allowance related to trade receivables are disclosed in note 29.

11. Cash and bank balances

Particulars	31 March 2019	31 March 2018 (Refer note 44)
Cash and cash equivalents		
Cash on hand	0.02	0.03
Cheques in hand	15.27	7.24
Balances with banks		
- In current accounts	743.95	1,084.39
- In deposit accounts(with original maturity of 3 months or less)	60.77	380.00
	820.01	**1,471.66**
Other bank balances (includes unclaimed dividend of ₹7.35 million (Previous year ₹6.84 million))	154.74	52.35
	974.75	**1,524.01**

Note :

(i) Information about the Company's exposure to credit risk, interest rate risk, foreign currency risk and liquidity risk is disclosed in note 29.

(Amount in ₹ million)

12. Loans

Particulars	31 March 2019	31 March 2018 (Refer note 44)
(Unsecured, considered good unless otherwise stated)		
Loans and advances to related parties (Refer note 37)		
- Loan to director	-	6.08
- Dues from subsidiaries	43.05	160.94
Loans and advances to other than related parties		
Other loans and advances		
- Loan to employees	-	1.60
- Security deposits		
Security deposits considered good	42.46	78.55
Security deposits - credit impaired	9.16	-
	51.62	78.55
Less: Provision for doubtful advances	9.16	-
	42.46	78.55
- Other receivables	16.56	0.06
	102.07	**247.23**

Note :

(i) Information about the Company's exposure to credit risk, interest rate risk and foreign currency risk is disclosed in note 29.

13. Other current financial assets

Particulars	31 March 2019	31 March 2018 (Refer note 44)
(Unsecured, considered good unless otherwise stated)		
Forward contracts		
-designated as cash flow hedge	35.50	-
-fair value through profit and loss	46.92	-
Interest accrued on fixed deposits	4.14	2.35
Other Receivable from related party	1,726.70	-
	1,813.26	**2.35**

Note :

(i) Information about the Company's exposure to credit risk, interest rate risk, foreign currency risk and liquidity risk is disclosed in note 29.

14. Other current assets

(Amount in ₹ million)

Particulars	31 March 2019	31 March 2018 (Refer note 44)
(Unsecured, considered good unless otherwise stated)		
Contract assets -from fixed price contracts (Refer note 32(b))	175.90	-
Advance rentals	5.60	8.14
Employee advances		
- Considered good	47.11	50.90
- Credit impaired	35.10	29.51
	82.21	80.41
Less: Provision for doubtful advances	35.10	29.51
	47.11	50.90
Advance to suppliers	71.91	56.30
Prepaid expenses	115.84	217.06
Balances with statutory authorities	270.53	185.57
Gratuity fund plan assets (Refer note 35 (3))	12.22	-
	699.11	**517.97**

15. Equity share capital

Particulars	31 March 2019	31 March 2018 (Refer note 44)
Authorised:		
870,000,000 (Previous year 625,000,000) equity shares of ₹2 each.	1,740.00	1,250.00
	1,740.00	**1,250.00**
Issued subscribed and fully paid up:		
274,143,808 (Previous year 189,514,051) equity shares of ₹2 each fully paid up	548.29	379.03
	548.29	**379.03**

15.1 The Company declares and pays dividends in Indian rupees. The dividend proposed to be distributed to equity shareholders for the year ended 31 March 2019 is ₹548.29 million i.e. ₹2 per share (Previous year ₹474.00 million i.e. ₹2.40 per share). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Dividends during the year ended 31 March 2019 include ₹2.40 per share towards final dividend for the year ended 31 March 2018. Dividends during the year ended 31 March 2018 include ₹2.20 per share towards final dividend for the year ended 31 March 2017.

15.2 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.

15.3 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	31 March 2019		As at 31 March 2018	
	Number of shares	(₹)	Number of shares	(₹)
Equity shares				
At the beginning of the year	189,514,051	379.03	188,193,398	376.39
Add: Shares issued under employee stock options plan	2,343,318	4.69	1,320,653	2.64
Add : Shares issued in business combination (Refer note 44)	76,645,066	153.29	-	-
Add :Shares held by Employee Welfare Trust (EWT)*	5,641,373	11.28	-	-
Outstanding at the end of the year	**274,143,808**	**548.29**	**189,514,051**	**379.03**

* Note : Pursuant to composite scheme of arrangement the shares held by EWT has been transferred to the resulting company hence are not eliminated in current financial year.

15.4 The Company has only one class of shares referred to as equity shares having a par value of ₹2 each. Each shareholder of equity shares is entitled to one vote per share.

15.5 Number of equity shares held by each shareholder holding more than 5% shares in the Company are as follows:

Name of the shareholders	31 March 2019		As at 31 March 2018	
	Number of shares as at 31 March 2019	% of shares held	Number of shares as at 31 March 2018	% of shares held
National Engineering Industries Limited	86,663,985	31.61%	Nil	Nil
Proficient finstock LLP	15,130,949	5.52%	28,609,782	14.49%

15.6 Aggregate number of equity shares allotted as fully paid up by way of bonus shares for the period of five years immediately preceding the Balance Sheet date - NIL (Previous year Nil)

15.7 Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

(i) 76,645,066 (Previous year : Nil) equity shares of ₹2 each have been allotted as fully paid up pursuant to amalgamation of transferor company.

(ii) 2,343,318 (Previous year : 1,320,653) equity shares have been issued under Employee stock option plan.

15.8 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.

(Amount in ₹ million)

16. Non-current borrowings

Particulars	31 March 2019	31 March 2018 (Refer note 44)
Term loans		
- From banks (Secured)		
External Commercial Borrowing (ECB) (Refer note (i) & (ii) below)	-	647.59
Other loan (Refer note (iii) below)	-	3.70
- From other than banks (Refer note (iv) below)	-	10.77
	-	**662.06**

Notes:

(i) The ECB loan consisted of loan secured by pari passu charge over Company's Land and Building located at Plot No. 35,36 & 45, MIDC area of Rajiv Gandhi Infotech Park, Phase I, Hinjawadi excluding charge over R&D Centre developed in the premises. For FY 2017-18 the term loan carried interest rate of 6 months LIBOR + 220 basis points. This ECB loan has been repaid during previous year.

(ii) The ECB loan consists of loan secured by pari passu charge over Company's Land and Building located at Plot No. 17, Rajiv Gandhi Infotech Park, Phase III, Hinjawadi. The term loan carried interest rate of 6 months LIBOR + 160 basis points.The said loan has been transferred to resulting company as per composite scheme of arrangement . The principal amount of loan outstanding as at the Balance Sheet date is Nil.

(iii) Other term loans from bank are secured against property, plant and equipment obtained under the loan arrangement. The loan carries interest upto 10.10 % p.a. The said loan has been transferred to resulting company as per composite scheme of arrangement.

(iv) Term loan from other than banks consisted of unsecured loan, carrying interest rate of 3% p.a. The loan has been transferred to resulting company as a part of composite scheme of arrangement.

(v) Information about the Company's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 29.

17. Other non-current liabilities

Particulars	31 March 2019	31 March 2018 (Refer note 44)
Lease equalization reserve	56.08	-
	56.08	**-**

18. Provisions -non current

Particulars	31 March 2019	31 March 2018 (Refer note 44)
Provision for employee benefits		
- Compensated absences	77.27	-
- Gratuity (Refer note 35(2))	214.18	319.38
Other provisions		
- Provision for lease restoration costs (Refer Note 41(4))	3.11	-
	294.56	**319.38**

(Amount in ₹ million)

19. Current borrowings

Particulars	31 March 2019	31 March 2018 (Refer note 44)
Loans repayable on demand		
- From banks (Secured)		
Working capital loans from banks (secured)(Refer note (i) below)	381.12	1,835.07
	381.12	**1,835.07**

Notes:

(i) The above loan is secured by way of first charge by way of hypothecation of Company's entire book debts, both present and future, on pari passu basis, carrying an average interest rate upto 6 months LIBOR plus 0.93% p.a.

(ii) Information about the Company's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 29.

20. Trade payables

Particulars	31 March 2019	31 March 2018 (Refer note 44)
Trade payables		
Total outstanding dues of micro enterprises and small enterprises (Refer note 31)	10.51	0.99
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,148.43	692.86
	1,158.94	**693.85**

Notes:

(i) Trade payable from related parties are disclosed in note 37.

(ii) Information about the Company's exposure to foreign currency risk and liquidity risk is disclosed in note 29.

21. Other current financial liabilities

Particulars	31 March 2019	31 March 2018 (Refer note 44)
Current maturities of long term debt		
- from banks (secured)	-	326.15
(Refer note 16 - Term loan from banks for details of security and repayment terms)		
- from others (secured)	-	1.82
(Refer note 16 Term loan from other than banks for details of security and repayment terms)		
- Current maturities of finance lease obligations (Refer note 38(1))	-	0.87
Other than trade payables :		
Accrued employee costs	579.95	661.97
Unclaimed dividend	7.35	6.84
Payables in respect of fixed assets	87.75	129.01
Payable to subsidiaries (Refer note 37)	0.18	-
Other payable to related party	1,405.13	7.95
Security deposits	0.37	0.43
Forward contracts designated as cash flow hedges (Refer Note 29(3))	-	15.66
	2,080.73	**1,150.70**

Notes:

(i) Information about the Company's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 29.

(Amount in ₹ million)

22. Other current liabilities

Particulars	31 March 2019	31 March 2018 (Refer note 44)
Unearned revenue	254.98	629.59
Advances from customers	8.13	3.64
Statutory remittances	231.34	252.50
Lease equalization reserve	10.29	-
	504.74	**885.73**

23. Provisions - current

Particulars	31 March 2019	31 March 2018 (Refer note 44)
Provision for employee benefits		
- Compensated absences	25.92	158.72
- Gratuity (Refer note 35 (2))	21.33	49.52
Other provisions		
- Provision for Onerous Contracts	0.06	0.66
- Service tax payable (net of tax paid under protest)	3.54	3.54
- Provision for warranty (Refer note 41(1))	-	3.19
	50.85	**215.63**

24. Revenue from operations

Particulars	31 March 2019	31 March 2018 (Refer note 44)
Software services (Refer note 32)	10,019.87	8,090.50
	10,019.87	**8,090.50**

25. Other income

Particulars	31 March 2019	31 March 2018 (Refer note 44)
Interest income	73.26	16.19
Dividend income from current investments	52.76	49.90
Profit on sale of fixed assets (net)	-	0.35
Foreign exchange gain (net) (Refer note (i) below)	-	216.01
Other non operating income (net of expenses directly attributable to such income) (including miscellaneous income)	12.77	5.16
Gain on sale/ redemption of mutual funds	110.11	-
	248.90	**287.61**

Notes:

(i) Includes gains/(losses) (net) on forward contracts designated as cash flow hedges transferred from cash flow hedging reserve ₹15.66 million (Nil pertains to discontinued operations) (Previous year ₹(113.03) million) (Refer note 29(3)).

(Amount in ₹ million)

26. Employee benefits expense

Particulars	31 March 2019	31 March 2018 (Refer note 44)
Salaries, wages and incentives	6,020.68	5,144.92
Contribution to provident fund (Refer note 35(1))	196.69	160.71
Share based compensation to employees (Refer note 42)	25.22	7.94
Staff welfare expenses	32.42	18.65
	6,275.01	**5,332.22**

27. Finance costs

Particulars	31 March 2019	31 March 2018 (Refer note 44)
Interest expense (Refer note (i) below)	53.84	35.67
	53.84	**35.67**

Note

(i) Includes amount of NIL (Previous year ₹0.14 million) pertaining to finance lease obligations.

28. Other expense

Particulars	31 March 2019	31 March 2018 (Refer note 44)
Travel and overseas expenses (net)	113.17	95.57
Transport and conveyance (net)	86.60	62.26
Cost of service delivery (net)	137.35	158.68
Cost of professional sub-contracting (net)	274.65	252.46
Recruitment and training expenses	103.75	58.40
Power and fuel	86.38	78.68
Rent (Refer note 38(2))	145.15	82.96
Repairs and maintenance		
- buildings	46.03	0.71
- plant and equipment	120.58	95.93
- others	30.11	29.99
Insurance	76.64	53.00
Rates and taxes	11.84	27.20
Communication expenses (net)	51.65	35.66
Legal and professional fees (Refer note 44 (b))	406.53	173.43
Marketing expenses	8.37	2.69
Loss on sale of fixed assets(net)	0.13	-
Fair value loss on financial assets (investments) at fair value through profit or loss	70.23	-
Foreign exchange loss (net) (Refer note 25(i))	63.01	-
Printing and stationery	7.98	4.63

(Amount in ₹ million)

28. Other expense (Contd.)

Particulars	31 March 2019	31 March 2018 (Refer note 44)
Auditors remuneration (net of taxes)		
- Audit fees	11.00	9.00
- Limited review of quarterly results	1.50	1.20
- Fees for other services	1.47	6.87
- Out of pocket expenses reimbursed	0.74	0.89
Bad debts written off	4.27	20.75
Provision for doubtful debts and advances (net)	38.17	50.50
Contributions towards corporate social responsibility (Refer note 45(1))	43.43	27.17
Miscellaneous expenses (net)	158.38	122.16
	2,099.11	**1,450.79**

Note

(i) Certain expenses are net of recoveries/ reimbursements from customers.

29 Financial Instruments

29.1 Financial Instruments by category

The carrying value and fair value of financial instruments by categories as on 31 March 2019 are as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets							
Investments	-	-	1,908.97	-	-	1,908.97	1,908.97
Trade receivables	3,728.11	-	-	-	-	3,728.11	3,728.11
Cash and cash equivalents	820.01	-	-	-	-	820.01	820.01
Other balances with banks	154.74	-	-	-	-	154.74	154.74
Loans	190.27	-	-	-	-	190.27	190.27
Unbilled revenue	439.27	-	-	-	-	439.27	439.27
Other financial assets	1,802.90	-	46.92	-	35.50	1,885.32	1,885.32
Total Assets	**7,135.30**	**-**	**1,955.89**	**-**	**35.50**	**9,126.69**	**9,126.69**
Liabilities							
Borrowings	381.12	-	-	-	-	381.12	381.12
Trade payables	1,158.94	-	-	-	-	1,158.94	1,158.94
Other financial liabilities	2,080.73	-	-	-	-	2,080.73	2,080.73
Total Liabilities	**3,620.79**	**-**	**-**	**-**	**-**	**3,620.79**	**3,620.79**

(Amount in ₹ million)

The carrying value and fair value of financial instruments by categories as on 31 March 2018 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets							
Investments	-	-	1,184.75	-	-	1,184.75	1,184.75
Trade receivables	5,477.33	-	-	-	-	5,477.33	5,477.33
Cash and cash equivalents	1,471.66	-	-	-	-	1,471.66	1,471.66
Other balances with banks	52.35	-	-	-	-	52.35	52.35
Loans	479.25	-	-	-	-	479.25	479.25
Unbilled revenue	464.50	-	-	-	-	464.50	464.50
Other financial assets	12.47	-	-	-	-	12.47	12.47
Total Assets	**7,957.56**	**-**	**1,184.75**	**-**	**-**	**9,142.31**	**9,142.31**
Liabilities							
Borrowings	2,497.13	-	-	-	-	2,497.13	2,473.54
Trade payables	693.85	-	-	-	-	693.85	693.85
Other financial liabilities	1,135.04	-	-	-	15.66	1,150.70	1,150.70
Total Liabilities	**4,326.02**	**-**	**-**	**-**	**15.66**	**4,341.68**	**4,318.09**

29.2 Fair value hierarchy

Financial assets and liabilities include cash and cash equivalents, other balances with banks, trade receivables, loans, unbilled revenue, 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.

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 on 31 March 2019 :

Particulars	31 March 2019	Fair value measurement as at		
		Level 1	Level 2	Level 3
Investments in Mutual funds	1,908.97	1,908.97	-	-
Investment in equity instruments of other entities	0.00*	-	-	0.00*
Forward contract designated fair value through profit and loss	46.92	-	46.92	-
Loans and advances	190.27	-	190.27	-
Forward contract designated as cash flow hedge	35.50	-	35.50	-
Borrowings	381.12	-	381.12	-

(Amount in ₹ million)

The following table presents fair value hierarchy of assets and liabilities measured as on 31 March 2018 :

Particulars	31 March 2018	Fair value measurement as at		
		Level 1	Level 2	Level 3
Investments in Mutual funds	1,184.75	1,184.75	-	-
Loan to Impact Automotive Solutions	101.33	-	101.33	-
Investment in equity instruments of other entities	0.00*	-	-	0.00*
Derivative financial assets	15.66	-	15.66	-
Borrowings	2,473.54	-	2,473.54	-

* Since denominated in ₹ million.

Valuation technique and significant unobservable inputs:

Level 2:

(i) Derivative financial assets are valued based on inputs that are directly or indirectly observable in the market.

(ii) Borrowings and loans given are valued using the discounted cash flow method, the net cash flows expected to be generated are discounted using the cost of borrowing that are directly or indirectly observable in the market.

Level 3:

Valuation techniques

For valuation of investment in equity instruments, discounted cash flow method is used to capture the present value of expected future economic benefits. Under the discounted cash flow method, the net cash flows expected to be generated are discounted using the weighted average cost of capital.

Significant increase in discount rates and spreads above risk free rate, in isolation would result in lower fair values. A significant increase in volatility in revenue growth rates will result in higher fair value.

29.3Financial risk management

The board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The board of directors has established the Risk Management Committees, 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 receivables from customers amounting to ₹3,728.11 million and ₹5,477.33 million and unbilled revenue amounting to ₹439.27 million and ₹464.50 million as on 31 March 2019 and 31 March 2018 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.

The carrying amount of trade and other receivables and other financial assets represents the maximum credit exposure.

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 for continuing and discontinued operations

Particulars	Amount
Balance as on 1 April 2017	**81.50**
Impairment during the year	213.99
Reversal of impairment on account of collection	(96.56)
Utilisation of allowance	(12.79)
Foreign exchange translation	1.47
Balance as on 31 March 2018	**187.61**
Impairment during the year	221.00
Reversal of impairment on account of collection	(141.85)
Utilisation of allowance	(21.88)
Addition on account of amalgamation of transferor company	9.50
Transferred to resulting company	(83.49)
Foreign exchange translation	(0.38)
Balance as on 31 March 2019	**170.51**

Trade receivables that were not impaired

Particulars	31 March 2019	31 March 2018
Neither past due nor impaired	2,234.59	3,741.70
Past due 1- 30 days	547.87	953.04
Past due 31 - 90 days	242.58	423.29
Past due 91 - 180 days	358.26	229.31
More than 180 days	344.81	129.99

Unbilled revenue is not outstanding for more than 120 days.

iii. Cash and bank balances

The Company held cash and cash balances of ₹1,050.95 million and ₹1,536.48 million as on 31 March 2019 and 31 March 2018 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 only on behalf of subsidiaries and joint venture. The Company has issued the guarantees to certain banks in respect of credit facilities granted to its subsidiaries on 31 March 2019.

v. Investment

The Company invest surplus funds in mutual fund schemes.These mutual fund are regulated by Securities and Exchange Board of India (SEBI)

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.

(Amount in ₹ million)

The Company has a view of maintaining liquidity and to take minimum possible risk while making investments. In order to maintain liquidity, the Company invests its excess funds in short term liquid assets like liquid mutual funds. The Company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

The liquidity position at each reporting date is given below:

Particulars	31 March 2019	31 March 2018
Cash and cash equivalents	820.01	1,471.66
Other balances with banks	147.39	45.51
Investments in Mutual funds (quoted)	1,908.97	1,184.75
Fixed deposits with banks including interest accrued	76.20	12.47
Total	**2,952.57**	**2,714.39**

The following are the remaining contractual maturities of financial liabilities as on 31 March 2019.

Particulars	Less than 1 year	1-2 years	2-4 years	4-5 years	> 5 years	Total
Borrowings	381.12	-	-	-	-	381.12
Trade payables	1,158.94	-	-	-	-	1,158.94
Other financial liabilities	2,080.73	-	-	-	-	2,080.73

The following are the remaining contractual maturities of financial liabilities as on 31 March 2018.

Particulars	Less than 1 year	1-2 years	2-4 years	4-5 years	> 5 years	Total
Borrowings	1,835.07	326.68	328.20	1.20	5.98	2,497.13
Trade payables	693.85	-	-	-	-	693.85
Other financial liabilities	1,150.70	-	-	-	-	1,150.70

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 75% 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.

(Amount in ₹ million)

Exposure to Currency Risk

The following is the Company's exposure to currency risk from financial instruments as of 31 March 2019:

Particulars	US Dollars	Euros	Pound Sterling	Other currencies	Total
Cash and cash equivalents	258.43	6.60	13.75	139.25	418.03
Trade receivables	2,144.17	295.93	112.16	332.69	2,884.95
Other financial assets (including loan, unbilled revenue)	766.92	706.28	358.00	142.46	1,973.66
Borrowings	(381.12)	-	-	-	(381.12)
Trade payables	(24.40)	(9.49)	(0.92)	(82.58)	(117.39)
Other financial liabilities	(43.34)	(26.02)	(1.22)	(98.41)	(168.99)
Net assets/(liabilities)	**2,720.66**	**973.30**	**481.77**	**433.41**	**4,609.14**

The following is the Company's exposure to currency risk from financial instruments as of 31 March 2018:

Particulars	US Dollars	Euros	Pound Sterling	Other currencies	Total
Cash and cash equivalents	207.05	220.00	100.99	318.51	846.55
Trade receivables	2,537.52	711.31	259.72	864.95	4,373.50
Other financial assets (including loan, unbilled revenue)	301.48	85.55	60.34	49.20	496.57
Borrowings	(2,256.28)	(161.24)	-	-	(2,417.52)
Trade payables	(56.84)	(17.69)	(2.56)	(31.58)	(108.67)
Other financial liabilities	(346.23)	(5.85)	(4.50)	(1.14)	(357.72)
Net assets/(liabilities)	**386.70**	**832.08**	**413.99**	**1,199.94**	**2,832.71**

For the year ended 31 March 2019, every 1% appreciation/depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately 2.80%/(2.80)%.

For the year ended 31 March 2018, every 1% appreciation/depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately 1.20%/(1.20)%.

ii. Derivative assets and liabilities designated as cash flow hedges

In accordance with its risk management policy and business plan the Company has hedged its cash flows. The Company enters into derivative contracts to offset the foreign currency risk arising from the amounts denominated in currencies other than in Indian rupees. The counter party to the Company's foreign currency contracts is a bank. These contracts are entered into to hedge the foreign currency risks of firm commitments (sales orders) and highly probable forecast transactions. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

The following are the outstanding GBP/USD/EUR: INR Currency Exchange Contracts entered into by the Company which has been designated as Cash Flow Hedges:

Particulars	31 March 2019		31 March 2018	
	Foreign Currency	₹	Foreign Currency	₹
EUR	0.70	54.40	4.10	330.55
USD	28.00	1,936.20	39.35	2,559.49
GBP	0.60	54.42	1.60	147.66

The forward contracts entered have maturity between 30 days to 6 months from the Balance Sheet date.

The movement in the hedging reserve for derivatives, which have been designated as Cash Flow Hedges, is as follows:

Particulars	31 March 2019	31 March 2018
Balance at the beginning of the year	(10.24)	73.91
Gains/(losses) recognised in Other Comprehensive Income	50.49	(15.66)
Amounts reclassified to Statement of Profit and Loss	15.66	(113.03)
Deferred tax on fair value of effective portion of cash flow hedges	(22.47)	44.54
Transfer on account of demerger	(9.75)	-
Balance at the end of the year	23.69	(10.24)

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 exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and bank deposits. The interest rate profile of the Company's interest-bearing financial instruments is as follows:

Particulars	31 March 2019	31 March 2018
Fixed rate instruments		
Financial assets	276.46	559.29
Financial liabilities	381.12	1,852.23
Variable rate instruments		
Financial assets	-	-
Financial liabilities	-	973.74

A change of 50 basis points in interest rates at the reporting date would have increased or decreased finance costs by ₹1.90 million (Previous year ₹4.88 million).

30. Other equity

(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.

(ii) Capital redemption reserve

Represents the nominal amount of the preference share capital on redemption of 400,000, 0.01% cumulative redeemable preference shares.

(iii) Amalgamation reserve

Represents the amount credited on account of cancellation of stock options issued pursuant to the scheme of amalgamation and acquisition.

(iv) Securities premium reserve

Securities premium is used to record the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013.

(v) Share based payment reserve

The Company has established various equity-settled share based payment plans for certain categories of employees of the Company. Refer note 42 for further details

31. 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 2019 is ₹10.51 million (Previous year - ₹0.99 million). Estimated interest* due thereon is ₹0.53 (Previous year - ₹ Nil).

b. Amount of payments made to suppliers beyond the appointed date during the year is ₹25.29 million (Previous year - ₹0.74 million). Interest paid thereon is ₹ NIL(Previous year - ₹ Nil) and the estimated interest due and payable thereon is ₹0.65 million (Previous year - ₹0.01 million).

c. The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under Micro , Small and Medium Enterprises Development Act 2006 is ₹ Nil

d. The amount of estimated interest accrued and remaining unpaid as at 31 March 2019 is ₹1.33 million (Previous year - ₹0.68 million).

e. The amount of further estimated interest due and payable for the period from 1 April 2018 to actual date of payment or 20 April 2019 (whichever is earlier) is ₹0.00 million.

*The interest is not accrued

32. Disclosures as per Ind AS 115 - Revenue from Contract with Customers

a. Disaggregation of revenue from contracts with customers

Set out below is the disaggregation of the Company's revenue from contracts with customers for continuing operations:

2019	Digital Transformation(DT)	Integrated Enterprise Solution (IES)	SAP	Others	Total
External Customers	2,464.56	3,574.08	2,169.93	1,811.30	10,019.87
Total revenue from contracts with customers	2,464.56	3,574.08	2,169.93	1,811.30	10,019.87
Geographical Markets					
a. Americas	1,309.72	2,476.17	878.20	1,200.00	5,864.09
b. UK and Europe	848.37	735.56	806.53	403.48	2,793.94
c. Rest of World	306.47	362.35	485.20	207.82	1,361.84
Total revenue from contracts with customers	**2,464.56**	**3,574.08**	**2,169.93**	**1,811.30**	**10,019.87**
2018	**Digital Transformation(DT)**	**Integrated Enterprise Solution (IES)**	**SAP**	**Others**	**Total**
External Customers	1,887.09	3,239.55	1,952.70	1,011.16	8,090.50
Total revenue from contracts with customers	1,887.09	3,239.55	1,952.70	1,011.16	8,090.50
Geographical Markets					
a. Americas	829.33	2,091.14	710.32	383.71	4,014.50
b. UK and Europe	833.57	900.65	862.82	549.69	3,146.73
c. Rest of World	224.19	247.76	379.56	77.76	929.27
Total revenue from contracts with customers	**1,887.09**	**3,239.55**	**1,952.70**	**1,011.16**	**8,090.50**

b. Trade receivables and Contract balances:

Particulars	31 March 2019
Trade Receivables	3,728.11
Contract assets	615.17
Unearned Revenue	254.98

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue for time and material contracts are recognized as related services are performed. Revenue for fixed price maintenance and support services contracts is recognized on a straight line basis over the period of the contract. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Revenue recognition for fixed price contracts is based on percentage of completion method. Invoicing to the clients is based on milestones as defined in the contract. This would result in the timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed price contracts is classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

Invoicing in excess of earnings are classified as unearned revenue.

Trade receivables are non-interest bearing and generally have a credit period of 60 days.

Changes in contract assets	31 March 2019
Balance at the beginning of the year	**464.50**
Transfer to Resulting Company (Refer note 44)	451.86
Transfer from Transferor Company (Refer note 44)	151.86
Revenue recognized net of invoices raised during the year	450.67
Balance at the end of the year	**615.17**

The unearned revenue primarily relate to the advance consideration received on contracts entered with customers for which no work is performed at the reporting date, and therefore revenue will be recognized when rights become unconditional.

Changes in unearned revenue	31 March 2019
Balance at the beginning of the year	**629.59**
Transfer to Resulting Company (Refer note 44)	111.15
Transfer from Transferor Company (Refer note 44)	40.34
Revenue recognized net of unearned revenue for the year	(303.80)
Balance at the end of the year	**254.98**

Revenue recognized in current year from	31 March 2019
Amounts included in contract liability at the beginning of the period (net of transfer to resulting entity)	303.80
Performance obligations satisfied in previous periods	-

c. Performance Obligation

While disclosing the aggregate amount of transaction price yet to be recognized as revenue towards unsatisfied (or partially) satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc).

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March 2019 are, as follows:

Particulars	31 March 2019
Within one year	765.36
More than one year	165.21

d. The Company has not incurred any costs to obtain or fulfil a contract during the year.

(Amount in ₹ million)

33. Expenditure and Earnings in foreign Currency

A. Expenditure in foreign currency for continuing and discontinued operation

Particulars	31 March 2019	31 March 2018
Salaries and wages	141.93	184.22
Cost of professional subcontracting	81.26	36.00
Cost of service delivery	17.10	18.16
Recruitment and training expenses	44.58	17.16
Travelling expenses	46.80	9.16
Marketing expenses	3.84	5.98
Professional expenses	32.73	46.75
Finance charges	2.57	4.67
Other expenses	49.54	22.63
Total	**420.35**	**344.73**

B. Earnings in foreign currency for continuing and discontinued operation

Particulars	31 March 2019	31 March 2018
Software services	11,548.51	9,959.39
Interest Income	3.32	10.24
Miscellaneous income	-	0.10
Total	**11,551.83**	**9,969.73**

34. 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	31 March 2019		As at 31 March 2018	
	Balance	Maximum amount outstanding	Balance	Maximum amount outstanding
Birlasoft Solutions Inc (erstwhile KPIT Infosystems Incorporated, USA) (including interest)	-	-	-	393.89
Impact Automotive Solutions Limited*	-	107.52	101.33	101.33
KPIT Technologies Limited (Erstwhile KPIT Engineering Limited) (including interest)	-	1,319.18	-	-

* Transferred to Resulting Company consequent to composite scheme of arrangement.

(Amount in ₹ million)

35. Details of employee benefits as required by Ind-AS 19 - "Employee benefits are as under":

1 Defined contribution plan - Provident fund

Amount recognized as an expense in the Statement of Profit and Loss in respect of defined contribution plan is ₹ 302.55 million (₹ 105.86 million pertains to discontinued operations (Refer note 44)) (Previous year ₹ 278.34 million (₹ 117.63 million pertains to discontinued operations)

2 Defined benefit plan-unfunded

i) The defined benefit plan comprises gratuity, which is un-funded.

ii) Actuarial gains and losses in respect of defined benefit plans are recognized in the Other Comprehensive Income (OCI).

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.

Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows :

Particulars	31 March 2019	31 March 2018
Present value of defined benefit obligation at the beginning of the year	368.90	289.13
Current service cost	48.00	45.83
Interest cost	24.60	21.02
Past service cost	-	-
Actuarial loss/(Gain) recognized in other comprehensive income		
a) changes in demographic assumptions	-	43.10
b) changes in financial assumptions	3.50	(11.04)
c) experience adjustments	27.12	11.42
Liability transferred to resulting company on account of demerger	(198.35)	-
Liability transferred out/ disinvestment	-	(0.47)
Benefits paid	(38.26)	(30.09)
Present value of defined benefit obligation at the end of the year	235.51	368.90

Analysis of defined benefit obligation	31 March 2019	31 March 2018
Present value of obligation as at the end of the year	235.51	368.90
Net (asset)/liability recognized in the Balance Sheet	235.51	368.90

(Amount in ₹ million)

Components of employer expenses/remeasurement recognized in the statement of Profit and Loss	31 March 2019	31 March 2018
Current service cost	48.00	45.83
Interest cost	24.60	21.02
Expenses recognized in the Statement of Profit and Loss	72.60	66.85

Components of employer expenses/remeasurement recognized in the Other Comprehensive Income (OCI)	31 March 2019	31 March 2018
Actuarial loss/(gain)	30.62	43.48
Net (income)/expense recognized in the OCI	30.62	43.48

Actuarial Assumptions:	31 March 2019	31 March 2018
Discount rate	7.48%	7.68%
Salary Escalation	5.00%	5.00%

Attrition Rate	31 March 2019	31 March 2018
- 2 years and below	25.00%	25.00%
- between 3 and 4 years	20.00%	20.00%
- 5 years and above	7.50%	7.50%

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 (2006-08) Ultimate.

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 2019		As at 31 March 2018	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (1 % movement)	(16.60)	19.05	(24.45)	28.11
Future salary growth (1 % movement)	19.35	(17.11)	28.59	(25.25)
Attrition rate (1 % movement)	2.78	(3.24)	4.46	(5.23)

Maturity profile of defined benefit plan

Projected benefits payable in future years from the date of reporting	31 March 2019	31 March 2018
With 1 year	21.33	49.52
1-2 year	20.92	29.18
2-3 year	20.75	33.17
3-4 year	20.47	33.29
4-5 year	20.72	37.57
5-10 years	103.47	146.30
Thereafter	278.96	431.34

Weighted average assumptions used to determine net periodic benefit cost

Particulars	31 March 2019	31 March 2018
Number of active members	6,095	10,853
Per month salary cost for all active members (₹ million)	125.24	201.24
Weighted average duration of the projected benefit obligation (years)	9.00	9.00
Average expected future service (years)	7.00	7.00
Projected benefit obligation (PBO)	235.51	368.90

3) Defined benefit plan - Funded

This defined benefit plans comprises gratuity, which is fully funded relates to employees of transferor company.

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 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.

Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows :

Particulars	31 March 2019
Present value of defined benefit obligation at the beginning of the year	-
Addition on account of amalgamation of the transferor company	185.62
Current service cost	6.74
Interest cost	3.47
Actuarial loss/(Gain) recognized in other comprehensive income	
a) changes in demographic assumptions	(3.96)
b) changes in financial assumptions	(10.18)
c) experience adjustments	(3.57)
Benefits paid	(4.13)
Present value of defined benefit obligation at the end of the year	173.99

Changes in the plan assets representing reconciliation of opening and closing balances thereof are as follows :

Particulars	31 March 2019
Fair value of plan assets at the beginning of the year	-
Addition on account of amalgamation of the transferor company	186.06
Actual return on plan assets	3.58
Fund Charges	(0.22)
Employer contribution	-
Benefits paid	(4.13)
Bank Balance in Gratuity Trust Bank account	0.92
Fair value of plan assets at the end of the period	186.21

Analysis of defined benefit obligation	31 March 2019
Present value of obligation as at the end of the year	173.99
Fair value of plan assets	186.21
Net (asset)/liability recognized in the Balance Sheet	(12.22)

Components of employer expenses/remeasurement recognized in the Statement of Profit and Loss	31 March 2019
Current service cost	6.74
Interest cost	3.47
Interest income on plan assets	3.58
Expenses recognized in the Statement of Profit and Loss	6.63

Components of employer expenses/remeasurement recognized in the Other Comprehensive Income (OCI)	31 March 2019
Actuarial loss/(gain) for the year on PBO	(17.71)
Actuarial loss/(gain) for the year on assets	0.12
Net (income)/expense recognized in the OCI	(17.59)

Actuarial assumptions:	31 March 2019
Discount rate	7.18%
Salary escalation	5.00%
Attrition Rate	
- 2 years and below	25.00%
- 3 years to 4 years	20.00%
- 5 years and above	7.50%

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 (2006-08) Ultimate.

Major categories of plan assets (as percentage of total plan assets)

Particulars	31 March 2019
Funds managed by insurer	100%

Expected contribution for the next Annual reporting period.

Particulars	31 March 2019
Service cost	38.15
Net interest cost	(0.05)
Expected expense for the next annual reporting period	38.10

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 2019	
	Defined benefit obligation	
	Increase	Decrease
Discount rate (0.5 % movement)	(6.46)	6.90
Future salary growth (0.5% movement)	6.74	(6.44)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

Maturity profile of defined benefit plan

Projected benefits payable in future years from the date of reporting	31 March 2019
Within 1 year	12.96
1-2 year	2.66
2-3 year	2.93
3-4 year	2.85
4-5 year	2.85
5-6 year	4.56
Thereafter	145.18

Weighted average assumptions used to determine net periodic benefit cost

Particulars	31 March 2019
For Birlasoft Limited	
Number of active members	2,526
Per month salary cost for all active members (₹ million)	91.71
Weighted average duration of the projected benefit obligation (years)	3.79
Average expected future service (years)	27.26
Projected benefit obligation (PBO)	173.99

36 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.

37 Related party disclosures

A. Relationship between the parent and its subsidiaries:

Relationship	Name of related party
Subsidiary Companies (Direct holding)	Birlasoft Solutions Inc (erstwhile KPIT Infosystems Incorporated, USA)
	KPIT Technologies France SAS
	Birlasoft Computer Corporation, USA (erstwhile SYSTIME Computer Corporation, USA)
	KPIT Technologies (UK) Limited (upto 01 January 2019)
	KPIT (Shanghai) Software Technology Co. Limited, China (upto 01 January 2019)
	KPIT Technologies Netherlands B.V (upto 01 January 2019)
	Impact Automotive Solutions Limited (upto 01 January 2019)
	KPIT Technologies Limited (erstwhile KPIT Engineering Limited) (upto 01 January 2019)
	KPIT Infosystems ME FZE, Dubai
	KPIT Infosystems Limited (UK) (w.e.f. 18 April 2018)
	KPIT Technologies Limited GK (Japan) (w.e.f 02 April, 2018 upto 01 January 2019)
	Birlasoft Sdn Bhd (w.e.f. 01 January 2019)
	Birlasoft Inc. (w.e.f. 01 January 2019)
	Birlasoft (Wuxi) Information Technologies Co. Ltd. (under liquidation)
Subsidiary Companies (Indirect holding)	KPIT TECHNOLOGIES SOLUÇÕES EM INFORMÁTICA LTDA. (Subsidiary of Birlasoft Solutions Inc, USA)
	Sparta Consulting Inc., USA (Subsidiary of Birlasoft Solutions Inc, USA)
	Birlasoft Technologies Canada Corporation (erstwhile KPIT Technologies Corporation) (Subsidiary of Birlasoft Computer Corporation, USA)
	KPIT Solutions GmbH, Germany (Subsidiary of KPIT Infosystems Ltd. (UK)
	KPIT Infosystems Mexico, S.A. DE (Subsidiary of Birlasoft Solutions Inc, USA)
	KPIT Technologies Inc (US) (Subsidiary of KPIT Technologies Holding Inc (US)) (upto 01 January 2019)
	KPIT Technologies Holding Inc (US) (Subsidiary of KPIT Technologies Limited (erstwhile KPIT Engineering Limited)) (upto 01 January 2019)
	KPIT Technologies PTE Limited (Subsidiary of KPIT Engineering Limited) (upto 01 January 2019)
	KPIT Technologies GmbH, Germany (Subsidiary of KPIT Technologies (UK) Limited) (upto 01 January 2019)
	MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil (Subsidiary of KPIT Technologies Limited) (upto 01 January 2019)
	MicroFuzzy Industrie-Elektronic GmbH (Subsidiary of KPIT Technologies GmbH) (upto 01 January 2019)
	Enable Path LLC (Subsidiary of Birlasoft Inc.) (w.e.f. 01 January 2019)
	Birlasoft (UK) Limited (Subsidiary of Birlasoft Inc.) (w.e.f. 01 January 2019)
	Birlasoft GmbH (Subsidiary of Birlasoft (UK) Limited) (w.e.f. 01 January 2019)

Entities jointly controlled by a Group having joint control over the reporting entity	KPIT Technologies (UK) Limited (w.e.f. 01 January 2019)
	KPIT (Shanghai) Software Technology Co. Limited, China (w.e.f. 01 January 2019)
	KPIT Technologies Netherlands B.V (w.e.f. 01 January 2019)
	Impact Automotive Solutions Limited (w.e.f. 01 January 2019)
	KPIT Technologies Holding Inc (US) (w.e.f. 01 January 2019)
	KPIT Technologies Inc (US) (w.e.f. 01 January 2019)
	KPIT Technologies Limited GK (Japan) (w.e.f. 01 January 2019)
	KPIT Technologies Limited (erstwhile KPIT Engineering Limited) (w.e.f. 01 January 2019)
	KPIT Technologies GmbH, Germany (w.e.f. 01 January 2019)
	MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil (w.e.f. 01 January 2019)
	MicroFuzzy Industrie-Elektronic GmbH (w.e.f. 01 January 2019)
	KPIT Technologies PTE Limited (w.e.f. 01 January 2019)
	Yantra Digital Services Private Limited, India (Joint venture of Impact Automotive Solutions Limited) (w.e.f. 01 January 2019)
Associate	Yantra Digital Services Private Limited, India (w.e.f. 05 October 2016 and upto 31 January 2018 through Impact Automotive Solutions Limited)
Joint Venture	Yantra Digital Services Private Limited, India (w.e.f. 01 February 2018 through Impact Automotive Solutions Limited upto 01 January 2019)****
Enterprise having joint control over entity	National Engineering Industries Limited (w.e.f. 15 January 2019)
	Central India Industries Limited (w.e.f. 15 January 2019)
	Proficient FinStock LLP (w.e.f. 15 January 2019)

B. List of Key Management Personnel :

Key Management Personnel (KMP)	Mr. S.B.(Ravi) Pandit (upto 15 January 2019)	Executive Director
	Mr. Kishor Patil (upto 15 January 2019)	Executive Director
	Mr. Sachin Tikekar (upto 15 January 2019)	Executive Director
	Dr. Raghunath Anant Mashelkar (upto 23 August 2017)	Independent Director
	Lila Poonawalla (upto 15 January 2019)	Independent Director
	Prof. Alberto Sangiovanni Vincentelli (upto 15 January 2019)	Independent Director
	Mr. Sanjay Kukreja (upto 15 September 2017)	Non- executive Director
	Mr. Anant Talaulicar	Independent Director
	Mr. Adi Engineer (upto 15 January 2019)	Independent Director
	B V R Subbu (upto 15 January 2019)	Non- executive Director
	Mr. Anil Patwardhan (upto 23 May 2018)	Chief Financial Officer
	Mr. Vineet Teredesai (w.e.f. 24 May 2018 upto 15 January 2019)	Chief Financial Officer
	Dr. Klaus Blickle (w.e.f. 24 January 2018 upto 15 January 2019)	Non- executive Director

Key Management Personnel (KMP)	Mr. Nikhil Jakatdar (w.e.f. 24 January 2018 upto 15 January 2019)	Independent Director
	Ms. Sneha Padve	Company Secretary
	Mrs. Amita Birla (w.e.f. 15 January 2019)	Chairperson and Non-Executive Director
	Mr. C. K. Birla (w.e.f. 15 January 2019)	Non-Executive Director
	Mr. Anjan Lahiri	1. Nominee Director (w.e.f. 23 May 2018 upto 15 January 2019) 2. Managing Director & Chief Executive Officer (w.e.f. 16 January 2019)"
	Mr. Pawan Sharma (w.e.f. 15 January 2019)	Executive Director
	Mr. Rajeev Gupta (w.e.f 16 January 2019)	Chief Financial Officer
	Ms. Alka Bharucha (w.e.f. 23 May 2018)	Independent Director
	Ms. Nandita Gurjar (w.e.f. 15 January 2019)	Independent Director
	Mr. Ashok Barat (w.e.f. 15 January 2019)	Independent Director
	Mr. Prasad Thrikutam (w.e.f. 15 January 2019)	Independent Director

C. List of other related parties with whom there are transactions

Relative of Directors & KMP	Mr. Chinmay Pandit (upto 15 January 2019)
	Ms. Jayada Pandit (upto 15 January 2019)
	Mr. Shreyas Patwardhan (upto 23 May 2018)
Enterprise over which KMP have significant influence	KP Corporate Solutions Ltd. (upto 15 January 2019)
	Proficient FinStock LLP (upto 15 January 2019)
	Kirtane & Pandit LLP (upto 15 January 2019)
Others	CK Birla Corporate Services Limited****** (w.e.f. 15 January 2019)

D. Transactions with related parties

No.	Name of related party	31 March 2019		As at 31 March 2018	
		Amount of transactions during the year	Balance as on 31 March 2019 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2018 Debit/(Credit)
Transactions with subsidiary companies/jointly controlled entities/ joint venture #					
1	KPIT Technologies (UK) Limited*****				
	Investment in equity	120.00	NIL	NIL	827.08
	Sales	1,083.71	531.45	1,189.97	421.45
	Reimbursement revenue	28.76		97.84	
	Software service charges	2.45	(0.01)	0.33	(0.34)
	Advance given (net)	12.56		19.74	
	Reimbursement of expenses (net)	0.63	(0.14)	54.20	22.89
	Guarantee fees	NIL		0.04	

No.	Name of related party	31 March 2019		As at 31 March 2018	
		Amount of transactions during the year	Balance as on 31 March 2019 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2018 Debit/(Credit)
2	**KPIT Technologies France S A S**				
	Investment in equity	NIL	215.97	NIL	215.97
	Sales	146.26	94.04	125.64	62.66
	Reimbursement revenue	5.76		5.05	
	Software service charges	NIL	NIL	NIL	(0.03)
	Advance given (net)	1.87	0.88	1.89	4.85
	Reimbursement of expenses (net)	0.04		2.70	
3	**KPIT Technologies GmbH, Germany*******				
	Sales	882.92	464.35	797.18	471.90
	Reimbursement revenue	9.53		10.59	
	Software service charges	15.71	(0.00)	15.94	(13.46)
	Advance given (net)	23.16	(0.87)	11.44	15.08
	Reimbursement of expenses (net)	2.17		34.77	
4	**Birlasoft Solutions Inc.**				
	Investment in equity	NIL	2,879.17	NIL	2,879.17
	Sales	4,568.74	809.36	4,825.49	1,816.63
	Reimbursement revenue	141.04		95.65	
	Software service charges	3.18	(0.25)	47.30	(33.44)
	Advance given (net)	22.30	8.08	33.99	19.43
	Reimbursement of expenses (net)	(1.73)		270.61	
	Guarantee fees	3.50		3.26	
	Repayment of loan granted to subsidiary**	NIL	NIL	393.89	NIL
	Interest income	NIL		6.70	
5	**Sparta Consulting Inc., USA**				
	Advance given (net)	0.82	(0.01)	1.71	71.32
	Reimbursement of expenses (net)	(0.01)		72.03	
	Reimbursement revenue	152.41	426.46	78.97	229.86
	Sales	855.02		700.60	
6	**KPIT (Shanghai) Software Technology Co. Limited, China*******				
	Investment in equity	NIL	NIL	NIL	128.84
	Sales	122.90	120.02	83.89	53.99
	Reimbursement revenue	8.19		5.71	
	Software service charges	0.55	(5.14)	1.52	(1.64)
	Advance given (net)	0.10	NIL	NIL	2.72
	Reimbursement of expenses (net)	0.02		8.04	

No.	Name of related party	31 March 2019		As at 31 March 2018	
		Amount of transactions during the year	Balance as on 31 March 2019 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2018 Debit/(Credit)
7	Birlasoft Technologies Canada Corporation				
	Sales	350.74	222.35	397.46	152.06
	Reimbursement revenue	8.43		5.29	
	Software service charges	(0.03)	0.03	0.01	(0.01)
	Advance given (net)	1.14	(0.10)	5.34	8.62
	Reimbursement of expenses (net)	(0.27)		26.72	
8	**KPIT Infosystems ME FZE, Dubai**				
	Investment in Equity	NIL	25.41	NIL	25.41
	Sales	NIL	(15.76)	NIL	(13.25)
	Advance taken (net)	NIL	3.84	0.11	0.31
	Advance given (net)	3.66		NIL	
	Reimbursement of expenses (net)	NIL		(0.08)	
	Guarantee fees	NIL		0.24	
9	**KPIT Infosystems ME FZE (Australia Branch)**				
	Sales	22.13	44.00	75.04	26.98
	Reimbursement revenue	NIL		2.31	
	Software service charges	1.75	3.38	0.83	3.40
	Advance taken (net)	NIL	0.12	0.38	0.31
	Advance given (net)	0.00*		NIL	
	Reimbursement of expenses (net)	0.02		2.28	
10	**KPIT Infosystems ME FZE (Korea Branch)**				
	Sales	7.70	(2.54)	131.75	47.24
	Reimbursement revenue	0.00*		0.06	
	Software service charges	0.48	0.03	0.81	(0.83)
	Advance taken (net)	0.20	1.86	0.31	1.74
	Reimbursement of expenses (net)	0.02		2.72	
11	**KPIT Technologies Netherlands B.V.*******				
	Investment in Equity	NIL	NIL	NIL	34.30
	Sales	171.45	35.23	202.78	56.73
	Reimbursement revenue	(0.96)		1.74	
	Advance given (net)	1.00	(0.07)	1.42	1.80
	Reimbursement of expenses (net)	(0.06)		4.79	
12	**KPIT Technologies Soluções EM Informática Ltd.**				
	Investment in Equity	NIL	0.04	NIL	0.04
	Software service charges	NIL	NIL	0.52	NIL

No.	Name of related party	31 March 2019		As at 31 March 2018	
		Amount of transactions during the year	Balance as on 31 March 2019 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2018 Debit/(Credit)
13	**KPIT Technologies (UK) Limited (Sweden Branch)*******				
	Sales	58.69	23.19	60.06	25.64
	Reimbursement revenue	0.81		1.81	
	Software service charges	NIL	NIL	NIL	0.79
	Advance given (net)	0.66	0.04	1.41	2.09
	Reimbursement of expenses (net)	(0.16)		2.94	
14	**Birlasoft Computer Corporation, USA**				
	Investment in Equity	NIL	469.36	NIL	469.36
	Sales	645.64	440.88	373.16	229.50
	Reimbursement revenue	4.86		11.69	
	Software service charges	0.53	(0.20)	0.34	0.02
	Advance given (net)	1.66	0.55	4.22	(2.03)
	Reimbursement of expenses (net)	(0.46)		27.69	
15	**Impact Automotive Solutions Limited*******				
	Investment in Equity	NIL	NIL	367.50	1,326.29
	Advance given (net)	NIL	0.07	0.29	1.90
	Reimbursement of expenses (net)	0.28		(0.26)	
	Loan granted to subsidiary***	NIL	NIL	100.00	101.33
	Interest income	6.88		1.48	
	Rent and administration charges	4.73	NIL	6.05	NIL
	Purchase of Components	0.54	NIL	7.90	NIL
	License Fees	NIL	NIL	18.85	1.87
	Sales	22.58		21.14	
16	**KPIT Solutions GmbH**				
	Sales	156.38	135.39	NIL	NIL
	Reimbursement revenue	2.70		NIL	
	Reimbursement of expenses (net)	0.42	0.39	NIL	0.04
17	**MicroFuzzy Industrie-Elektronic GmbH, Germany*******				
	Sales	64.40	51.50	46.13	36.83
	Reimbursement revenue				
	Software service charges	0.89	NIL	1.92	(1.93)

No.	Name of related party	31 March 2019		As at 31 March 2018	
		Amount of transactions during the year	Balance as on 31 March 2019 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2018 Debit/(Credit)
18	**KPIT Technologies Limited*******				
	Investment in Equity	NIL	NIL	1.00	1.00
	Software service charges	185.59	(185.82)		
	Advance given (net)	1,939.03	(1,515.26)	NIL	NIL
	Reimbursement of expenses (net)	414.90		NIL	NIL
	Loan granted	1,300.00	NIL	NIL	NIL
	Loan Repaid	1,300.00		NIL	NIL
	Interest income	48.51		NIL	NIL
	Sales	104.39	147.99	NIL	NIL
19	**Yantra Digital Services Private Limited, India*******				
	Reimbursement of expenses (net)	NIL	NIL	(2.39)	(1.36)
20	**KPIT Technologies Inc.*******				
	Sales	512.21	454.35	NA	NA
	Reimbursement revenue	10.20			
	Software service charges	0.18	0.00	NA	NA
	Reimbursement of expenses (net)	0.37	NIL	NA	NA
21	**KPIT Technologies (UK) Limited (Italy Branch)*******				
	Sales	4.44	4.42	NIL	NIL
	Reimbursement revenue	0.19		NIL	NIL
22	**KPIT Technologies GK , Japan*******				
	Sales	101.34	34.98	NA	NA
	Reimbursement Revenue	1.08			
	Investment in Equity	18.08	NIL	NA	NA
	Software service charges	15.77	(10.96)	NA	NA
	Reimbursement of expenses (net)	0.01	(2.17)	NA	NA
	Advance taken (net)	(2.17)		NA	NA
23	**KPIT Infosystems Ltd*******				
	Investment in equity	47.49	47.49	NA	NA
	Reimbursement of expenses (net)	0.33	0.32	NA	NA
	Sales	199.64	141.62	NA	NA
	Reimbursement Revenue	0.96		NA	
24	**Birlasoft Inc.**				
	Investment in Equity transferred on account of merger	NIL	25.90	NA	NA
	Reimbursement Expense	5.48	5.20	NA	NA
	Sales	825.84	78.16	NA	NA

No.	Name of related party	31 March 2019		As at 31 March 2018	
		Amount of transactions during the year	Balance as on 31 March 2019 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2018 Debit/(Credit)
25	**Birlasoft (UK) Limited**				
	Reimbursement of Expenses	13.14	9.97	NA	NA
	Sales	103.20	68.42	NA	NA
	Software service charges	75.97	NIL	NA	NA
26	**Birlasoft Sdn.Bhd (Malaysia)**				
	Investment in Equity transferred on account of merger	NIL	0.00*	NA	NA
	Reimbursement Expense	0.44	12.16	NA	NA
	Sales	1.09	4.86	NA	NA
	Software service charges				
27	**KPIT Technologies PTE Limited*****				
	Sales	1.28	1.35	NA	NA
Transactions with Key Management Personnel					
1	**Mr. S. B. (Ravi) Pandit**				
	Short term employee benefits	42.37	NIL	37.07	NIL
	Post employment benefit plans	1.09	NIL	1.79	NIL
	Reimbursement of expenses (net)	0.32	NIL	0.23	(0.04)
2	**Mr. Kishor Patil**				
	Short term employee benefits	36.97	NIL	29.63	NIL
	Post employment benefit plans	0.87	NIL	0.85	NIL
	Perquisites	0.34	NIL	0.59	NIL
	Repayment of loan granted	4.52	NIL	5.63	17.89
	Interest received	0.93	NIL	1.63	NIL
	Reimbursement of expenses (net)	0.55	NIL	0.31	(0.37)
3	**Mr. Sachin Tikekar**				
	Short term employee benefits	33.62	NIL	29.25	NIL
	Post employment benefit plans	0.31	NIL	0.40	NIL
	Reimbursement of expenses (net)	0.24	NIL	0.49	NIL
4	**Mr. Anil Patwardhan**				
	Short term employee benefits	3.54	NIL	7.87	NIL
	Post employment benefit plans	1.64	NIL	0.21	NIL
	Reimbursement of expenses (net)	NIL	NIL	0.03	NIL
5	**Ms. Sneha Padve**				
	Short term employee benefits	4.93	NIL	4.00	NIL
	Post employment benefit plans	0.14	NIL	0.13	NIL
	Reimbursement of expenses (net)	0.11	(0.09)	0.03	NIL
6	**Dr. Raghunath Anant Mashelkar**	`			
	Commission paid	0.85	NIL	1.85	NIL
	Sitting fees	NIL		NIL	

No.	Name of related party	31 March 2019		As at 31 March 2018	
		Amount of transactions during the year	Balance as on 31 March 2019 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2018 Debit/(Credit)
7	**Lila Poonawalla**				
	Commission paid	2.52	NIL	2.23	NIL
	Sitting fees	0.19		0.29	
8	**Prof. Alberto Sangiovanni Vincentelli**				
	Commission paid	2.93	NIL	2.60	NIL
	Sitting fees	0.05		0.06	
9	**Anant Talaulicar**				
	Commission paid	0.85	NIL	NIL	NIL
	Sitting fees	0.41	NIL	0.07	NIL
10	**Adi Engineer**				
	Commission paid	2.38	NIL	2.16	NIL
	Sitting fees	0.22		0.27	
11	**B V R Subbu**				
	Commission paid	2.00	NIL	1.61	NIL
	Sitting fees	0.09		0.09	
12	**Dr. Klaus Blickle**				
	Commission paid	1.45	NIL	NIL	NIL
	Sitting fees	NIL	NIL	0.02	NIL
13	**Alka Bharucha**				
	Sitting Fees	0.32	NIL	NA	NA
14	**Amita Birla**				
	Sitting Fees	0.30	NIL	NA	NA
15	**Anjan Lahiri**				
	Short term employee benefits	6.58	(2.05)	NA	NA
	Post employment benefit plans	0.25	NIL	NA	NA
	Sitting Fees	0.03	NIL	NA	NA
16	**Ashok Kumar Barat**				
	Sitting Fees	0.30	NIL	NA	NA
17	**Chandrakant Birla**				
	Sitting Fees	0.20	NIL	NA	NA
18	**Nandita Gurjar**				
	Sitting Fees	0.40	NIL	NA	NA
19	**Nikhil Jakatdar**				
	Commission paid	0.25	NIL	NIL	NIL
	Sitting Fees	0.05	NIL	NIL	NIL

No.	Name of related party	31 March 2019		As at 31 March 2018	
		Amount of transactions during the year	Balance as on 31 March 2019 Debit/(Credit)	Amount of transactions during the year	Balance as on 31 March 2018 Debit/(Credit)
20	**Pawan Sharma**				
	Short term employee benefits	1.10	NIL	NA	NA
	Post employment benefit plans	0.14	NIL	NA	NA
	Reimbursement of expenses (net)	0.00*	NIL	NA	NA
21	**Prasad Thrikutam**				
	Sitting Fees	0.10	NIL	NA	NA
	Reimbursement of expenses (net)	0.37	(0.37)	NA	NA
22	**Vinit Teredesai**				
	Short term employee benefits	6.34	(0.02)	NA	NA
	Post employment benefit plans	0.16	NIL	NA	NA
	Reimbursement of expenses (net)	0.13	NIL	NA	NA
24	**Rajeev Gupta**				
	Short term employee benefits	4.10	(1.28)	NA	NA
	Post employment benefit plans	0.15	NIL	NA	NA
Transactions with relative of Key Management Personnel					
1	**Mr. Chinmay Pandit**				
	Short term employee benefits	3.73	NIL	4.18	NIL
	Post employment benefit plans	0.09	NIL	0.11	NIL
	Reimbursement of expenses (net)	0.53	NIL	0.54	(0.13)
2	**Mrs. Jayada Pandit**				
	Short term employee benefits	1.50	NIL	1.82	NIL
	Post employment benefit plans	0.04	NIL	0.06	NIL
3	**Mr. Shreyas Patwardhan**				
	Short term employee benefits	0.12	NIL	0.81	NIL
	Post employment benefit plans	0.00	NIL	0.02	NIL
	Reimbursement of expenses (net)	NIL	NIL	0.10	(0.01)
Transactions with enterprise over which Key Management Personnel have significant influence:					
1	**KP Corporate Solutions Ltd.**				
	Professional fees	1.20	Nil	1.45	(0.15)
2	**Kirtane & Pandit LLP**				
	Professional fees	0.46	NIL	3.27	(0.10)
3	**National Engineering Industries Limited**				
	Rent	0.89	NIL	N.A.	N.A.
Others					
1	**CK Birla Corporate Services Limited**				
	Corporate assistance and IPR fees	9.27	NIL	N.A.	N.A.

Note: Remuneration excludes provision for employee benefits as separate actuarial valuation for the directors, key management personnel and their relatives is not available.

#All transactions with these related parties are priced on an arm's length basis.

*Denominated in millions

**The loan carries interest rate of 5.25% p.a. and is repayable on demand, not exceeding thirty six months from the date of loan granted. The loan was repaid by KPIT Infosystems Incorporated, USA during the previous year.

***The loan carries interest rate of 9.15% p.a. and is repayable on demand, not exceeding sixty months from the date of loan granted. The loan given to Impact Automotive Solutions Limited was transferred to KPIT Technologies Limited (Erstwhile KPIT Engineering Limited) during the current financial year (Refer note 44)

****The investee is a subsidiary 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.

*****Refer note 44 for details of assets and liabilities transferred to KPIT Technologies Limited (Erstwhile KPIT Engineering Limited) as part of transfer of engineering business as per the composite scheme of arrangement.

******As the company and CK Birla Corporate Services Limited use the same 'CK Birla' brand and are disclosed as being part of the same 'Group' on the website operated by CK Birla Corporate Services Limited, from a good governance perspective the transaction is being reported as a 'related party transaction' under the applicable accounting standards.

38. Lease transactions

1. Finance leases

The Company has taken vehicles under finance lease for a period ranging from 3 to 4 years. Upon payment of all sums due towards the agreement, the Company has the option of acquiring the Vehicles. During the lease period, the Company can neither sell, assign, sublet, pledge, mortgage, charge, encumber or part with possession of the assets, nor create or allow to create any lien on the vehicles taken on lease.

The Company has also taken land under finance lease and the lease rental of which has been paid in its entirety at the commencement of the lease period.

Reconciliation between future minimum lease payments and their present values under finance lease as at the year end is as follows:

Particulars	31 March 2019	31 March 2018
Future minimum lease payments		
- not later than one year	NIL	0.91
- later than one year and not later than five years	NIL	NIL
- later than five years	NIL	NIL
Total future minimum lease payments	NIL	0.91
Amount representing future interest	NIL	0.04
Present value of future minimum lease payments	NIL	0.87
- not later than one year	NIL	0.87
- later than one year and not later than five years	NIL	NIL
- later than five years	NIL	NIL

Net carrying amount of assets held under finance lease as on 31 March 2019 is ₹54.33 (31 March 2018 ₹451.17 million).

2. **Operating leases**

Obligations towards non-cancellable operating Leases:

The Company has taken facilities and office premises on lease. The future lease payments for these facilities are as under:

Particulars	31 March 2019	31 March 2018
Minimum lease payments		
- Not later than one year	292.97	295.10
- later than one year and Not later than five years	964.67	897.43
- Later than five years	353.97	967.07
Total minimum lease payments	**1,611.60**	**2,430.63**

Rental expenses of ₹336.85 million (₹191.70 pertains to discontinued operations)(Previous year ₹330.78 million) (₹ 247.82 million pertains to discontinued operations) in respect of obligation under operating leases have been recognized in the Statement of Profit and Loss.

Most of the operating lease arrangements are renewable on a periodic basis. Some of these lease agreements have price escalation clauses.

39. Basic and diluted earnings per share

Particulars		31 March 2019	31 March 2018
Nominal value per equity share	₹	2.00	2.00
Profit for the year from continuing operations	₹ (million)	1,059.01	901.74
Profit for the year from discontinued operations	₹ (million)	617.33	873.76
Weighted average number of equity shares	No. of shares	213,988,814	192,578,364
Earnings per share - Basic	₹		
From continuing operations		4.95	4.68
From discontinued operations		2.88	4.54
From continuing and discontinued operations		7.83	9.22
Effect of dilutive potential equity shares-			
Employee stock options (including shares held by Employee Welfare Trust)	No. of shares	2,405,368	8,020,201
Weighted average number of diluted equity shares	No. of shares	216,394,182	199,178,568
Earnings per share - Diluted			
From continuing operations	₹	4.89	4.53
From discontinued operations	₹	2.85	4.38
From continuing and discontinued operations	₹	7.74	8.91

40. The Company has received recognition from Department of Scientific and Industrial Research, Ministry of Science and Technology (DSIR) on 23 April 2018 for its Research and Development (R&D) facility at its premises in Hinjawadi which is effective from 1 April 2018 to 31 March 2021. As a part of Composite Scheme, effective 1 January 2019, this R & D unit has been transferred to KPIT Technologies Limited (erstwhile KPIT Engineering Limited)

Research and development expenditure debited to the Statement of Profit and Loss from 1 April 2018 to 31 December 2018 aggregating to ₹192.96 million (Previous year ₹199.11 million) has been incurred by the Company and disclosed under appropriate account heads. Out of total R & D expenditure incurred during the year ₹129.23 million (Previous year ₹141.94 million) is towards eligible R & D expenditure under section 35 (2AB). Also refer note 43.

The capital expenditure incurred on the R & D facility for the period 1 April 2018 to 31 December 2018 is as follows, which is disclosed in respective fixed assets blocks:

Particulars	31 March 2019	31 March 2018
Building	NIL	NIL
Computers	2.59	9.65
Plant and Machinery	NIL	NIL
Office Equipments	23.09	0.24
Furniture and Fixtures	NIL	NIL

41. Details of provisions and movements in each class of provisions as required by the Indian Accounting Standard (Ind-As) 37 - Provisions, Contingent liabilities and Contingent assets

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 2019	31 March 2018
Carrying amount as at the beginning of the year	3.19	6.33
Additional provision made during the year	0.23	0.24
Amount paid/utilized during the year	1.18	NIL
Unused amount reversed during the year	-	3.38
Transfer on account of demerger	2.01	-
Exchange Difference	0.23	-
Carrying amount at the end of the year	-	3.19

2. **Contingent liabilities**

Sr. No.	Particulars	31 March 2019	31 March 2018
1	Outstanding bank guarantees in routine course of business	182.05	170.84
2	Corporate guarantee provided by the Company for loan availed by Birlasoft Solutions Inc, USA	NIL	650.44
3	Corporate guarantee provided by the Company for loan availed by associates/ joint ventures in India	NIL	149.16
4	Income tax matters (Refer note (ii))	673.32	NIL
5	VAT matters	11.71	18.57
6	Service tax matters (excluding interest and penalty)(Refer note (i))	727.82	311.16
7	Other matters (Refer note (iii))	26.75	-

Note:

(i) Service tax matters

a. The Company has received a show cause cum demand notice from Commissioner of Central Excise & Service Tax, Pune I for the period July 2012 to March 2015 demanding service tax relating to:

- ₹169.34 million (Previous year ₹169.34 million) towards Service Tax on the amount received by branches from overseas clients on behalf of the Company, under the head 'Business Auxiliary Services'.

- ₹46.56 million (Previous year ₹46.56 million) towards the amount of expenditure made in foreign currency in respect of category II and III services.

b. The Company has received a show cause notice from Commissioner of Central Excise & Service Tax, Pune I for the period April 2010 to June 2012 demanding service tax relating to:

- ₹4.79 million (Previous year ₹4.79 million) towards the amount of expenditure against reimbursement of expenses.

c. The Company has received an order from Commissioner of Central Tax, Belapur, Mumbai for the period October 2006 to March 2012 confirming the demand for service tax relating to:

- ₹8.88 million (Previous year ₹90.47 million) towards the correctness of the service tax credit availed and correctness of discharge of service tax liability.

The Company has filed an Appeal with Income Tax Appellate Tribunal, Mumbai for all the above matters.

2 Department has filed an appeal against the Company in the following cases:

- ₹469.65 million (Previous year NIL) towards Service Tax on the amount received by branches from overseas clients on behalf of the Company for the period October 2006 to March 2014, under the head 'Business Auxiliary Services' and expenditure made in foreign currency in respect of category II and III services with the Hon'ble Supreme Court of India.

- ₹28.60 million (Previous year NIL) towards Service Tax refund granted for the period April 2006 to March 2008 with the Hon'ble Bombay High Court.

(ii) Income tax matters

The Income tax matter pertain to the Trasnferor Company acquired pursuant to the composite scheme.

The Income Tax Department has filed appeals for AY 2004-05, AY 2006-07, AY 2008-09, AY 2009-10, AY 2010-11 with Hon'ble Delhi High Court contesting a) the set off of losses of STP unit against Non STP unit b) deduction claimed by the Company u/s 10A and c) the Arm's Length Price of the transactions entered with the related parties. These appeals are filed against the favourable orders received by the Company from Income Tax Appellate Tribunal, Delhi. The disputed tax amount is ₹602.18 million

The Company has filed the appeal with Commissioner of Income Tax, Appeals, Delhi for the adjustment u/s 10A of the Income Tax Act for AY 2011-12 by the Assessing Officer. This adjustment was made contrary to the favourable order received from the Income Tax Appellate Tribunal, Delhi while passing appeal effect order. The disputed tax amount is ₹59.41 million

- The Company is in the process of getting the Appeal Effect Order with respect to the favourable order received from Income Tax Appellate Tribunal for AY 2012-13 and AY 2013-14 amounting to ₹6.76 million.

- The Company has filed an appeal with Commissioner of Income Tax Appeals, Delhi for AY 2014-15 for disallowance of rent equalization reserve. The disputed tax amount is ₹4.97 million.

(iii) Other matters

These matters pertain to the Transferor Company acquired pursuant to the composite scheme.

a. ₹6.20 million towards the Order passed by Collector (Stamps) for deficiency in payment of stamp duty alongwith penalty in respect of the Company's leased office at H-9, Sector 63, Noida. The Company has filed writ petition in the Hon'ble High Court, Allahabad , for for quashing of the order of the Collector & CCRA, listing of which is awaited.

b. ₹19.47 million towards the order passed by District Revenue Collector imposing stamp duty ₹12.97 million and penalty of ₹64.89 million for the Company's leased office (erstwhile) at D-195 , Sector 63 , Noida. The matter has been remanded back by Hon'ble Supreme court of India to Hon'ble Allahabad High Court for hearing it afresh.

c. ₹1.08 million towards the demand notice issued by Tamilandu Electricity Board on account of short levy due to tariff difference. The Company has filed a writ petition in the Hon'ble High Court at Chennai, which has stayed the recovery proceedings.

3 There are numerous interpretative issues relating to the Supreme Court (SC) judgment dated 28th February, 2019, relating to components/allowances paid that need to be taken into account while computing an employer's contribution of provident fund under the Employees' Provident Funds and Miscellaneous Provident Act, 1952. The Company has obtained a legal opinion on the matter and basis the same has assessed that there is no material impact on the financial statements for the year ended 31 March 2019. The Company would record any further effect on its financial statements, on receiving additional clarity from the authorities on the subject.

4 As per Ind AS 37 , the Company has made provision for future lease restoration expense of ₹3.11 million (Previous year Nil) in respect leased premises in Noida. The same is expected to be utilized at the end of the lease period in 2026.

Sr. No.	Particulars	31 March 2019
1	Transfer on account of merger	3.11
2	Additional provision made during the year	-
3	Amount paid/utilized during the year	-
4	Carrying amount as at end of the year	3.11

5 **Commitments:**

Estimated amount of contracts remaining to be executed on capital account and not provided for:

a. Property, plant and equipment - ₹8.23 million (Previous Year ₹171.00 million)

b. Intangibles -NIL(Previous Year ₹8.94 million)

42. Share based payments

1 Employee Stock Option Plan– 2004

The Board of Directors and the shareholders of the Company approved the Employees Stock Option Plan at their meeting in August 2001 and in September 2001, respectively. Pursuant to this approval, the Company instituted ESOP 2004, Plan in July, 2004. 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 have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the fair market value. The vesting of the options is 33%, 33% and 34% of total options granted after end of first, second and third year respectively from the date of grant. 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	31 March 2019		As at 31 March 2018	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	153,938	70.60	247,020	70.60
Granted during the year	-	-	-	-
Forfeited/surrendered during the year	-	-	12,214	70.60

Particulars	31 March 2019		As at 31 March 2018	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Exercised during the year	1,13,430	70.60	72,026	70.60
Lapsed during the year	40,508	70.60	8,842	70.60
Options outstanding at the end of year	-	-	153,938	70.60
Options exercisable at the end of the year	-	-	153,938	70.60

The weighted average share price of the options exercised under Employees Stock Option Scheme -2004 on the date of exercise during the year was ₹275.28 (Previous year ₹178.93)

The weighted average remaining contractual life are as follows:

Particulars	31 March 2019		As at 31 March 2018	
	Weighted average contractual life (years)	No. of Options Outstanding	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	NIL	NIL	NIL	NIL
₹ 50 to ₹100	NIL	NIL	0.32	1,53,938
₹ 100 to ₹ 150	NIL	NIL	NIL	NIL
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model. There has been no grant of options under the plan for the year ended 31 March 2019 and 31 March 2018.

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.

2 Employee Stock Option Plan – 2006

The Board of Directors and the shareholders of the Company approved another Employees Stock Option Plan at their meeting in July 2006 and in August 2006, respectively. Pursuant to this approval, the Company instituted ESOP 2006, Plan in October, 2006. 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 have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the fair market value. The vesting of the options is 30%, 30% and 40% of total options granted after end of first, second and third year respectively from the date of grant. 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	31 March 2019		As at 31 March 2018	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	3,102,423	95.53	4,685,172	92.48
Granted during the year	-	-	-	-
Forfeited/surrendered during the year	73,935	95.91	250,642	102.18
Exercised during the year	1,729,938	93.98	1,205,677	84.43
Lapsed during the year	68,900	88.95	126,430	75.03
Options outstanding at the end of year	1,229,650	55.54	3,102,423	95.53
Options exercisable at the end of the year	1,229,650	55.54	2,225,423	92.27

The weighted average share price of the options exercised under Employees Stock Option Scheme -2006 on the date of exercise during the year was ₹244.32 (Previous year ₹168.65)

The weighted average remaining contractual life are as follows:

Particulars	31 March 2019		As at 31 March 2018	
	Weighted average contractual life (years)	No. of Options Outstanding	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	0.55	273,800	NIL	42,903
₹ 50 to ₹100	3.55	955,850	1.22	1,138,740
₹ 100 to ₹ 150	NIL	NIL	4.49	1,920,780
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

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	31 March 2019	31 March 2018
1. Exercise price (₹)	NIL	NIL
2. Price of the underlying share in market at the time of the option grant (₹)	NIL	NIL
3. Weighted average fair value of options granted (₹)	NIL	NIL
4. Expected life of the option (years)	NIL	NIL
5. Risk free interest rate (%)	NIL	NIL
6. Expected volatility (%)	NIL	NIL
7. Dividend yield (%)	NIL	NIL

The Company recorded an employee compensation cost of ₹5.17 million (₹2.08 million pertains to discontinued operations(Refer note 44)) (Previous year ₹13.21 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.

3 Employee Stock Option Plan – 2014

The Board of Directors and the shareholders of the Company approved another Employees Stock Option Plan at their meeting in February 2014 and in April 2014, respectively. Pursuant to this approval, the Company instituted ESOP 2014 Plan in April 2014. 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 have been granted to employees of the Company and its subsidiaries at an exercise price of ₹2 per option. The vesting of the options is 30%, 30% and 40% of total options granted after end of first, second and third year respectively from the date of grant. 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	31 March 2019		As at 31 March 2018	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	135,000	2.00	150,000	2.00
Granted during the year	-	-	-	-
Forfeited/surrendered during the year	-	-	-	-
Exercised during the year	105,000	2.00	15,000	2.00
Options outstanding at the end of year	30,000	2.00	135,000	2.00
Options exercisable at the end of the year	30,000	2.00	111,000	2.00

The weighted average share price of the options exercised under Employees Stock Option Scheme -2014 on the date of exercise during the year was ₹270.85 (Previous year ₹121.85)

The weighted average remaining contractual life are as follows

Particulars	31 March 2019		As at 31 March 2018	
	Weighted average contractual life (years)	No. of Options Outstanding	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	4.07	30,000	3.91	135,000
₹ 50 to ₹100	NIL	NIL	NIL	NIL
₹ 100 to ₹ 150	NIL	NIL	NIL	NIL
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

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	31 March 2019	31 March 2018
1. Exercise price (₹)	NIL	NIL
2. Price of the underlying share in market at the time of the option grant (₹)	NIL	NIL
3. Weighted average fair value of options granted (₹)	NIL	NIL
4. Expected life of the option (years)	NIL	NIL
5. Risk free interest rate (%)	NIL	NIL
6. Expected volatility (%)	NIL	NIL
7. Dividend yield (%)	NIL	NIL

The Company recorded an employee compensation cost of ₹NIL (Previous year ₹0.15 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.

4 Employee Stock Option Plan – 2015

The Board of Directors and the shareholders of the Company approved another Employee Stock Option Plan at their meeting in April 2015 and August, 2015, respectively. Pursuant to this approval, the Company instituted ESOP 2015 Plan in August 2015. 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 have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the fair market value. The vesting of the options is 30%, 30% and 40% of total options granted after end of first, second and third year respectively from the date of grant. 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	31 March 2019		As at 31 March 2018	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	989,050	106.76	965,150	103.70
Granted during the year	-	-	110,000	131.20
Forfeited/surrendered during the year	46,300	115.58	58,150	103.70
Exercised during the year	394,950	105.44	27,950	103.70
Lapsed during the year	-	-	-	-
Options outstanding at the end of year	547,800	60.58	989,050	106.76
Options exercisable at the end of the year	492,800	59.07	516,250	103.70

The weighted average share price of the options exercised under Employees Stock Option Scheme -2015 on the date of exercise during the year was ₹232.55 (Previous year ₹212.50)

The weighted average remaining contractual life are as follows:

Particulars	31 March 2019		As at 31 March 2018	
	Weighted average contractual life (years)	No. of Options Outstanding	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	NIL	NIL	NIL	NIL
₹ 50 to ₹100	3.82	547,800	NIL	NIL
₹ 100 to ₹ 150	NIL	NIL	4.71	989,050
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

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	31 March 2019	31 March 2018
1. Exercise price (₹)	NIL	131.20
2. Price of the underlying share in market at the time of the option grant (₹)	NIL	131.20
3. Weighted average fair value of options granted (₹)	NIL	48.98
4. Expected life of the option (years)	NIL	3.76
5. Risk free interest rate (%)	NIL	6.71%
6. Expected volatility (%)	NIL	41.22%
7. Dividend yield (%)	NIL	0.84%

The Company recorded an employee compensation cost of ₹0.13 million (Previous year ₹0.40 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.

5 Employee Stock Option Plan – 2019

The Board of Directors and the shareholders of the Company approved Employee Stock Option Plan at their meeting in February 2019. Pursuant to this approval, the Company instituted ESOP 2019 Plan in February 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 have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the face value of shares as on date of grant of such option. Option Granted under ESOP 2019 shall vest not earlier than minimum period of 1 (One) year and not later than maximum period of 3 (Three) years from the date of Grant. The vesting of the options is 30%, 30% and 40% of total options granted after end of first, second and third year respectively from the date of grant.The maximum exercise period is 4 years from the date of vesting.

ESOP 2019 replaces ESOP Stock Options Plan -2015 (Plan) issued by Erstrwile Birlasoft(India) Limited (Transferor company) which stands cancelled pursuant to the scheme of amalgamation. Accordingly, ₹255.76 million was transferred to from ESOP reseve to retained earning as on 1st January 2019 on account of the same.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	31 March 2019	
	No. of options	Weighted average exercise price
Options outstanding at the beginning of the year	-	-
Granted during the year	4,769,246	**3.10**
Forfeited/surrendered during the year	16,108	**3.10**
Exercised during the year	-	-
Lapsed during the year	-	-
Options outstanding at the end of year	4,753,138	**3.10**
Options exercisable at the end of the year	1,425,921	**3.10**

The weighted average share price of the options exercised under Employees Stock Option Scheme -2019 on the date of exercise during the year was NIL.

The weighted average remaining contractual life are as follows:

Particulars	31 March 2019	
	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	5.06	4,753,138
₹ 50 to ₹100	NIL	NIL
₹ 100 to ₹ 150	NIL	NIL
₹ 150 to ₹ 200	NIL	NIL

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	31 March 2019
1. Exercise price (₹)	3.10
2. Price of the underlying share in market at the time of the option grant (₹)	101.35
3. Weighted average fair value of options granted (₹)	91.54
4. Expected life of the option (years)	3.17
5. Risk free interest rate (%)	6.93%
6. Expected volatility (%)	48.29%
7. Dividend yield (%)	2.37%

The Company recorded an employee compensation cost of ₹22.00 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.

Corporate Action Note

In terms of Clause 7.6.1 of the Composite Scheme of Arrangement, the stock options granted by the Tranferor Company under the relevant Existing Stock Option Schemes would be cancelled and new options would be granted to employees under the Merged Company, the said employees shall be issued options in the ratio of 1:1 for every outstanding stock options held by them in the Transferor Company.

Further, as per clause 18.5.2 of the Composite Scheme of Arrangement, employees of demerged entity (Other than employees mentioned above) would receive one option in resulting company - KPIT Technologies Limited (Formerly known as KPIT Engineering Limited) for one option outstanding in the demerged entity - KPIT Technologies Limited.

Further, as per the aforesaid clause, the existing exercise price of the stock options of the Company shall stand suitably adjusted in the manner of share exchange ratio. The weighted average excersie price for options outsatnding at the end of the year and options excersiable at the end of the year has been adjusted accordingly.

43. Income taxes

The income tax expense consists of following:

Particulars	31 March 2019	31 March 2018
Current tax - continuing operations		
Tax on the profit from continuing operations	528.42	220.65
Total current tax expense (a)	**528.42**	**220.65**
Deferred tax - continuing operations		
Atributable to -		
Origination and reversal of temporary differences	(136.85)	89.41
Total deferred tax expense (b)	**(136.85)**	**89.41**
Tax expense of discontinued operations		
Tax on the profit from discontinued operations	116.65	(78.94)
Total tax expense of discontinued operations (c)	**116.65**	**(78.94)**
Total Tax Expense (a + b + c)	**508.22**	**231.12**

The deferred tax relates to origination/reversal of temporary differences.

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	31 March 2019	31 March 2018
Profit before tax	2,184.56	2,006.62
Indian statutory income tax rate	34.94%	34.61%
Expected tax expense	763.29	694.45
Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Effect of income tax holiday, exemptions and deductions	(440.11)	(549.84)
Effect relating to prior years	98.38	(0.29)
Effect of permanent adjustments	65.15	28.39
Effect of differential overseas tax rates	25.40	55.98

Particulars	31 March 2019	31 March 2018
Effect of unrecognized deferred tax assets	0.15	1.75
Others (net)	(4.04)	0.68
Total tax expense	**508.22**	**231.12**

During the year, for the period 1st April 2018 to 31st December 2018 i.e. the period upto which R & D Unit was part of the Company and for year ended 31st March 2018, the Company has claimed weighted tax deduction on eligible research and development expenditures based on the approval received from Department of Scientific and Industrial Research (DSIR) on 2 June 2011 which has been renewed effective April 2018. The weighted tax deduction is equal to 150% of such expenditures incurred. Also refer note 40.

Under the composite scheme of the Units which formed part of Sepcial Economic Zone were transferred to KPIT Technologies Limiited (erstwhile KPIT Engineering Limited) effective 1 January 2019. Accoridngly, the Company benefited from the tax holiday available for units set up under the Special Economic Zone Act, 2005 (SEZ) for the period 1 April 2018 to 31 December 2018. The tax holiday is worked out as 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. Book profit of eligible SEZ units for the period 1 April 2018 to 31 Decemeber 2018 is ₹760.81 million. The Company is eligible to claim incentive deduction of ₹689.26 million under section 10AA of Income tax Act, 1961.

Deferred Tax

The gross movement in the deferred income tax account for the year ended 31 March 2019 and 31 March 2018 is as follows:

Particulars	31 March 2019	31 March 2018
Net deferred income tax asset at the beginning	785.85	502.96
Deferred Tax Liability balance transferred to resulting company	30.48	-
MAT Credit Utillised for the year	(125.53)	152.12
Credits/(charge) relating to temporary differences (net)	133.65	73.47
Deferred tax of transferor company	293.38	-
Temporary differences on other comprehensive income	(18.94)	57.30
Net deferred income tax asset at the end	1,098.89	785.85

Based on the Composite Scheme of Arrangement:

a. deferred tax asset of ₹293.38 million related to Birlasoft (India) Limited (Transferor Company) was transferred to Birlasoft Limited (Erstwhile KPIT Technologies Limited) (transferee company or demerged company) upon merger.

b. deferred tax liability of ₹30.48 million was transferred to KPIT Technologies Limited (erstwhile KPIT Engineering Limited) (Resulting Company) for the assets and liabilities transferred to the resulting company upon demerger.

The credit relating to temporary differences during the year ended 31 March 2019 are primarily on account of provision for doubtful debts & bad debts, provision for gratuity, compensated absence & property,plant and equipment, transaction cost, rent equilisation reserve . The credit relating to temporary differences during the year ended 31 March 2018 are primarily on account of provision for doubtful debts & bad debts, provision for gratuity, compensated absence & property,plant and equipment.

44. Composite scheme of arrangement

The Board of Directors of the Company at its meeting held on 29 January 2018 had approved a Composite Scheme ("the Composite Scheme") and subsequently filed with National Company Law Tribunal (NCLT) for: (a) amalgamation of Birlasoft (India) Limited ("Transferor Company") with Birlasoft Limited (erstwhile KPIT Technologies Limited) ("Transferee Company" or "Demerged Company"); and (b) demerger of the engineering business of Birlasoft Limited (erstwhile KPIT Technologies Limited) into KPIT Technologies Limited (erstwhile KPIT Engineering Limited) ("Resulting Company").

The Composite Scheme approved by the National Company Law Tribunal, Mumbai Bench on 29 November 2018 and certified copy of the order was received on 18 December 2018, was recorded by the Board of Directors in their meeting held on 15 January 2019 whereby the Transferor Company was merged into the Transferee Company and Engineering Business (Primarily comprising Automotive vertical with embedded software, digital technologies (cloud, IoT, analytics), Mobility Solutions and application life cycle management Business) was demerged from the Transferee Company and transferred to the Resulting Company, with effect from 01 January 2019, the appointed date. The Company has presented the Engineering Business ("Demerged Undertaking") as discontinued operations during the year ended on 31 March 2019 in accordance with Ind AS 105 and accordingly reclassified the financial results of the previous year presented.

In accordance with the composite scheme approved by the National Company Law Tribunal (NCLT) on 29 November 2018, the name of the Company has been changed from KPIT Technologies Limited to Birlasoft Limited, vide the "Certificate of Incorporation pursuant to change of name", issued by the Registrar of Companies (ROC) dated 08 February 2019.

Shareholders of the Transferor Company have received 22 equity shares of the Transferee Company for every 9 equity shares they held in the Transferor Company. After the demerger of Transferee Company's engineering business, shareholders of the Demerged Company received 1 equity share of the Resulting Company for every 1 equity share they hold in the Demerged Company. After the demerger, the Demerged Company has the combined business of KPIT IT Services Business and the current buisness of Birlasoft (India) Limited creating a new leader in the mid-tier IT services space. Whereas the Resulting Company has the current Engineering business of the Demerged Company to create a company focused on Automotive Engineering and Mobility Solutions.

As per the Composite Scheme, all assets and liabilities of Birlasoft (India) Limited (""Transferor Company"") stand transferred to the Transferee Company from the appointed date. The employees of the Transferor Company have also moved to the Transferee Company and consequently the employee related benefits and all contracts and agreements in relation to them have been taken over by the Transferee Company. The Composite Scheme has accordingly been given effect to in the financial statements as on the appointed date.

As per the Composite Scheme, all assets and liabilities of the Engineering Business ("Demerged Undertaking") stand transferred to the Resulting Company from the appointed date. The employees of the Engineering Business have also moved to the Resulting Company and consequently the employee related benefits and all contracts and agreements in relation to them have been taken over by the Resulting Company. The Composite Scheme has accordingly been given effect to in the financial statements as on the appointed date.

Accordingly, the previous year balances are not comparable.

Pursuant to the approved Composite Scheme, the Transferee Company shall account for merger and demerger in its books as per the applicable accounting principles prescribed under relevant Indian Accounting Standards (Ind AS). It would inter alia include the following:

Transaction I- Merger

Accounting for Merger:

1. Assets, Liabilities and Reserves of the Transferor Company transferred to and vested in the Transferee Company shall be recorded at their carrying values as appearing in books of the Transferor Company at the time of the merger effective date and in accordance with requirements of relevant Ind AS.

2. The Transferee Company shall credit its share capital account in its books of account with the new equity shares issued pursuant to Scheme to the shareholders of the Transferor Company.
3. Subsequent to the merger, the pre-merger shares of the Transferor Company shall be cancelled.
4. The inter-company balances between Transferee Company and Transferor Company, if any, in the books of accounts of Transferee Company and Transferor Company shall stand cancelled.
5. The difference, if any, between assets, liabilities and reserves transferred and the value of the new equity shares issued on merger by the Transferee Company shall be transferred to capital reserves of Transferee Company.
6. The Company is in the process of transferring the title of the assets and liabilities received under the scheme of merger from Transferor Company as on the reporting date.

a. Consideration transferred (at the acquisition date book values)

Particulars	Amount
Cash	-
Equity shares (76,645,066 shares of Birlasoft Limited (Erstwhile KPIT Technologies Limited))	153.29
Total	**153.29**

b. Acquisition related cost

Acquisition related cost of ₹282.65 million is recognized under other expenses in the Statement of Profit and Loss for the year ended 31 March 2019.

c. The book value of assets acquired and liabilities taken over from Transferor Company as at date of merger were:

Particulars	Amount
ASSETS	
Non-Current Assets	
Property, plant and equipment (net)	666.70
Other intangible assets (net)	7.47
Financial Assets	
Investment in subsidiary-Birlasoft Inc , USA	25.90
Other financial assets	34.04
Deferred tax assets (net)	293.38
Other non current assets	247.59
	1,275.08
Current Assets	
Financial Assets	
Investments	2,385.51
Trade receivables	736.07
Cash and Cash equivalents	238.98
Other balances with banks	20.00
Other financial assets	132.27
Other current assets	222.74
	3,735.57
Total Assets	**5,010.65**

Particulars	Amount
EQUITY AND LIABILITIES	
Equity	
Other Equity	3,449.08
Total Equity	**3,449.08**
Liabilities	
Non-Current Liabilities	
Other non current liabilities	133.14
Provisions	3.33
	136.47
Current liabilities	
Financial Liabilities	
Trade payables	547.16
Other financial liabilities	222.70
Provision for employee benefits	62.87
Current tax liabilities	87.11
Other current liabilities	191.71
	1,111.55
Total Equity and Liabilities	**4,697.10**
Total net identifiable assets at book value	**313.55**

d. Capital Reserve arising on merger

Particulars	Amount
Purchase consideration	153.29
Less : Book value of net identifiable assets acquired	313.55
Capital reserve	**(160.26)**

The difference between the amount recorded as share capital issued and the amount of share capital of the transferor has been transferred to capital reserve.

e. Transferor Company's contribution to Revenue and Profit before tax

From the date of merger, the Transferor Company has contributed ₹1,152.94 million to revenue and ₹82.66 million to the profit before tax from continuing operations of the Company for the period ended 31 March 2019. If the combination had taken place at 1 April 2018, the contribution to Company's revenue for the year ended 31 March 2019 would have been ₹4,803.17 million and the profit before tax would have been ₹278.84 million.

Transaction II- Demerger

Pursuant to the approved Composite Scheme, Birlasoft Limited (Erstwhile KPIT Technologies Limited) accounted for demerger of Demerged Undertaking in its books as per the applicable accounting principles prescribed under relevant Indian Accounting Standards (Ind AS). It would inter alia include the following:

Accounting for Demerger as per court approved scheme:

1. The carrying values of assets and liabilities of demerged undertaking transferred to Resulting Company shall be adjusted with capital reserves, if any, then to general reserve account and then to retained earnings of the Demerged Company.

2. The carrying value of the investment in equity shares of the Resulting Company to the extent held by Demerged Company shall stand cancelled.

3. The Company is in the process of transferring the title of the assets and liabilities transferred under the scheme of demerger as on the reporting date.

a. Value of assets and liabilities transferred to the Resulting Company

Particulars	Amount
ASSETS	
Non-Current Assets	
Property, plant and equipment	2,441.25
Capital work in progress	7.61
Other intangible assets	667.40
Other Intangible assets under development	18.63
Financial assets	
Investments	2,454.59
Loans	191.85
Other non current assets	25.76
	5,807.09
Current Assets	
Inventories	13.85
Financial assets	
Trade receivables	2,056.03
Loans	243.58
Unbilled Revenue	451.86
Other financial assets	2,181.81
Other current assets	308.04
Other assets	**5,255.17**
Total Assets	**11,062.26**
EQUITY AND LIABILITIES	
Equity	
Other Equity	
General Reserve	34.38
Remeasurement of defined benefit plan	(44.16)
Effective portion of cash flow hedge	9.75
Retained earnings	3,573.12
Total Equity	**3,573.09**
Liabilities	
Non Current Liabilities	
Financial liabilities	
Borrowings	548.92
Provisions	201.88
Deferred tax liabilities (Net)	30.48
	781.28

Particulars		Amount
Current Liabilities		
Financial liabilities		
Trade Payables		435.10
Other financial liabilities		951.94
Other Current Liabilities		350.87
Provisions		49.85
		1,787.76
Total Equity and Liabilities		**6,142.13**
Net asset to be transferred to the Resulting Company		**4,920.13**
Cancellation of existing investment in the Resulting Company		1.00
Utilization of reserves for transfer of Net Assets pursuant to the above scheme of arrangement		
Capital reserve	179.66	
General reserve	1,719.62	
Retained earnings (excludes accumulated deficit of ₹288.39 million of EWT transferred to the Resulting Company)	3,021.85	4,921.13

b. Results of discontinued operations

Particulars	31 March 2019	31 March 2018
Revenue from operations	6,164.12	6,333.03
Other income	92.11	133.14
Total income	**6,256.23**	**6,466.17**
Expenses		
Cost of materials consumed	22.96	59.07
Changes in inventories of finished goods and work-in-progress	0.45	1.04
Employee benefits expense	3,511.57	3,909.53
Finance costs	68.36	12.64
Depreciation and amortization expense	488.21	377.67
Excise duty	-	0.63
Other expenses	1,430.70	1,336.32
Total expenses	**5,522.25**	**5,696.90**
Profit before exceptional items and tax	733.98	769.27
Exceptional items (Refer Note (i))	-	25.55
Profit before tax	733.98	794.82
Tax expense		
Current tax	98.57	236.06
Deferred tax (benefit)/charge	18.08	(315.00)
Total tax expense	**116.65**	**(78.94)**
Profit after tax	**617.33**	**873.76**

Note:

(i) During the previous year, the Company has sold of its entire stake in Sankalp Semiconductors Private Limited. The gain on disposal is recorded under exceptional items in the Statement of Profit and Loss.

(ii) The Engineering business have been discontinued from 01 January 2019.

c. Net cash outflows from discontinued operations for the year ended 31 March 2019 amount to ₹ 79.38 million. Due to non-availability of relevant information relating to discontinued operations, the cash flows for the current year have been disclosed on net basis and cash flows for the comparative period have not been disclosed.

45. Other disclosures and explanatory notes

1 The Company was required to spend ₹42.99 million towards Corporate Social Responsibility. During the year the Company has spent and paid ₹43.43 million (Previous year ₹27.17 million) towards Corporate Social Responsibility, 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 2019	31 March 2018
A. Gross amount required to be spent by the company during the year	42.99	45.93
B. Amount spent during the year		
(i) Construction/acquisition of any asset	NIL	NIL
(ii) On purpose other than (i) above	43.43	27.17

2 During the previous year, the Company has infused further equity of ₹367.50 million in its wholly owned subsidiary, Impact Automotive Solutions Limited which has been transferred to resulting company as a part of composite scheme.

3 During the year the company has formed subsidiary in UK , KPIT Infosysytems Ltd and infused equity of £ 0.5 million

4 The Company has consolidated the KPIT Technologies Limited Employee Welfare Trust for the period upto 31 December 2018.

5 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 2018-2019.

The management is of the opinion that international transactions are at arm's length and accordingly the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration Number :101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place: New Delhi
Date: 24 May 2019

For and on behalf of the Board of Directors of
BIRLASOFT LIMITED (Erstwhile KPIT Technologies Limited)
CIN: L72200PN1990PLC059594

Rajeev Gupta
Chief Financial Officer

Amita Birla
Chairman
DIN : 00837718

Sneha Padve
Company Secretary

Anjan Lahiri
CEO & Managing Director
DIN: 06407055

Place: New Delhi
Date: 24 May 2019

Independent Auditors' Report

To
the Members of
Birlasoft Limited (Erstwhile KPIT Technologies Limited)

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Birlasoft Limited (Erstwhile KPIT Technologies Limited) (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its joint venture, which comprise the consolidated balance sheet as at 31 March 2019, 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, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and joint venture as at 31 March 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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. The revenue recognized over a period of time, computed as per the input method based on management's estimate of contract costs and efforts for completion of contract (Refer 1.2 to the consolidated financial statements), is a key audit matter considering: • There is an inherent risk around the accuracy of revenues given the customised and complex nature of these contracts;	Our audit procedures in this area included the following: • Obtained an understanding of the systems, processes and controls implemented by the management and evaluated the design and implementation of internal controls for recording and calculating revenue and the associated contract assets and unearned revenue. • Tested the operating effectiveness of key internal financial controls over recording and calculating revenue and the associated contract assets and unearned revenue in respect of selected samples of contracts.

Description of Key Audit Matter

The key audit matter	How the matter was addressed in our audit
• Application of the revenue recognition accounting standard is complex and involves a number of key judgements and estimates including estimating the future cost-to-completion of these contracts, which is used to determine the percentage of completion of the relevant performance obligation. • These contracts may involve onerous obligations on the Company that require critical estimates to be made by the management.	• Tested the system application controls and application controls over Information Produced by the Entity for planned cost and actual costs reports. • For selected samples of contracts, we inspected the terms of the contract and assessed that the revenue recognized is in accordance with Ind AS 115 by: ➢ Evaluating the identification of performance obligation ➢ Challenging management's estimate of contract cost through a retrospective comparison of costs incurred with estimated costs to identify significant variations and verify whether those variations have been considered in estimating the remaining costs to complete the contract. ➢ Assessed the appropriateness of work in progress (contract assets) on the balance sheet by evaluating the underlying documentation to identify possible delays in achieving milestones which may require change in estimated costs to complete the remaining performance obligations. ➢ Performed analytical procedures for reasonableness of incurred and estimated contract costs or efforts including assessment of contracts with unusual or negative margins, little or no movement in efforts from previous periods and little or no movement in invoicing from previous periods. ➢ Performed test of details to test the contract revenue and contract costs with the underlying documents and recalculate the contract asset and unearned revenue recognized as at year end.

The key audit matter	How the matter was addressed in our audit
Accounting for the effects of the composite scheme of arrangement in respect of merger and subsequent demerger: The Holding Company has entered into a scheme of arrangement ("the scheme") for merger of Birlasoft (India) Limited with Birlasoft Limited (BSL) (erstwhile KPIT Technologies Limited) and subsequent demerger of BSL into BSL and KPIT Technologies Limited (Erstwhile KPIT Engineering Limited). The scheme has been approved by the National Company Law Tribunal, Mumbai Bench ('NCLT). This is a key audit matter as the scheme has a pervasive impact on the financial statements of the Group. The Holding Company has accounted for merger and demerger in its books as per the Composite Scheme of arrangement as approved by the NCLT.	Our audit procedures in this area included the following: • Inspected agreements related to the merger and demerger in accordance with the scheme. • Agreed the balances acquired on merger to the audited consolidated financial statements of Birlasoft (India) Limited as on 31 December 2018. • Tested the accounting entries for the merger are in accordance with the scheme approved by NCLT. • Tested the accounting entries for the demerger are in accordance with the scheme approved by NCLT.

Information Other than the Consolidated Financial Statements and Auditors' 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 financial statements and our auditors' 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.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company 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 Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the

Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture is responsible for overseeing the financial reporting process of each company.

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 management.

- Conclude on the appropriateness of management's 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 (company and subsidiaries) as well as joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The financial information of five subsidiaries, whose financial information reflect total assets of ₹447.40 million as at 31 March 2019, total revenues of ₹2,912.44 million and net cash outflows amounting to ₹441.13 million for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. The consolidated financial statements also include the Group's share of net loss (and other comprehensive income) of ₹97.06 million for the year ended 31 March 2019, as considered in the consolidated financial statements, in respect of one joint venture, whose financial information have not been audited by us or by other auditors. These unaudited financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and joint venture, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of financial information of such subsidiaries and joint venture as were certified by the Management, 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 2019 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies and joint venture incorporated in India are disqualified as on 31 March 2019 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, its subsidiary companies and joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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 financial information as certified by the Management for subsidiaries and joint venture, as noted in the 'Other Matters' paragraph:

   i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group and its joint venture. Refer Note 42(2) to the consolidated financial statements.

ii. The Group, its associates and joint ventures and joint operations did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2019.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and joint venture incorporated in India during the year ended 31 March 2019.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company, its subsidiary companies and joint venture 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, its subsidiary companies and joint venture 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) 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

Place: New Delhi
Date: 24 May 2019

Annexure A to the Independent Auditors' report on the consolidated financial statements of Birlasoft Limited (Erstwhile KPIT Technologies Limited) for the period ended 31 March 2019

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

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of Birlasoft Limited (Erstwhile 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 companies 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 companies 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 2019, 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, 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.

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

Swapnil Dakshindas
Partner
Membership No. 113896

Place: New Delhi
Date: 24 May 2019

Consolidated Balance Sheet as at 31 March 2019

(Amount in ₹ million)

	Note	31 March 2019	31 March 2018 (Refer note 45)
ASSETS			
Non-current assets			
Property, plant and equipment	2A	1,444.25	3,095.51
Capital work-in-progress		-	68.06
Goodwill	2B	4,219.15	4,275.06
Other intangible assets	2C	217.55	923.73
Intangible assets under development		-	247.31
Equity accounted investees	3A	-	97.07
Financial assets			
Investments	3B	-	10.40
Loans	4	100.34	175.51
Other financial assets	5	83.78	33.39
Income tax assets (net)		691.40	815.09
Deferred tax assets (net)	6	1,432.59	944.10
Other non-current assets	7	51.72	71.54
		8,240.78	**10,756.77**
Current assets			
Inventories	8	-	238.77
Financial assets			
Investments	9	1,908.97	1,184.75
Trade receivables	10	7,107.49	8,057.00
Cash and cash equivalents	11	3,616.81	4,650.96
Other balances with banks	11	154.74	398.34
Loans	12	48.34	105.88
Unbilled revenue	35(b)	969.91	1,151.15
Other financial assets	13	1,938.43	65.73
Other current assets	14	990.35	719.59
		16,735.04	16,572.17
TOTAL ASSETS		**24,975.82**	**27,328.94**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	548.29	379.03
Other equity	34	16,587.16	17,790.13
Equity attributable to owners of the Company		**17,135.45**	**18,169.16**
Non-controlling interest		-	35.67
Total equity		**17,135.45**	**18,204.83**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	-	662.06
Other financial liabilities	17	-	156.14
Other non-current liabilities	18	58.80	-
Provisions	19	637.37	687.44
Deferred tax liabilities (net)	20	-	0.21
		696.17	**1,505.85**
Current liabilities			
Financial liabilities			
Borrowings	21	381.15	2,109.09
Trade payables	22		
- Outstanding dues of micro enterprises and small enterprises		10.51	0.99
- Outstanding dues of creditors other than micro enterprises and small enterprises		2,137.77	1,586.17
Other financial liabilities	23	3,154.66	1,826.78
Other current liabilities	24	887.11	1,446.23
Provisions	25	173.95	370.74
Income tax liabilities (net)		399.05	278.26
		7,144.20	**7,618.26**
TOTAL EQUITY AND LIABILITIES		**24,975.82**	**27,328.94**
Significant accounting policies	1		
Notes referred to above form an integral part of the consolidated financial statements	2-46		

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number :101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place: New Delhi
Date: 24 May 2019

For and on behalf of the Board of Directors of
BIRLASOFT LIMITED (Erstwhile KPIT Technologies Limited)
CIN: L72200PN1990PLC059594

Rajeev Gupta
Chief Financial Officer

Amita Birla
Chairman
DIN : 00837718

Sneha Padve
Company Secretary

Anjan Lahiri
CEO & Managing Director
DIN: 06407055

Place: New Delhi
Date: 24 May 2019

Consolidated Statement of Profit and Loss for the year ended on 31 March 2019

(Amount in ₹ million)

	Note	31 March 2019	31 March 2018 (Refer note 45)
Continuing operations			
Revenue from operations	26	25,506.67	22,497.96
Other income	27	260.57	238.62
Total income		**25,767.24**	**22,736.58**
Expenses			
Employee benefits expense	28	15,351.93	13,477.35
Finance costs	29	108.43	81.33
Depreciation and amortization expense	2(iii)	498.74	401.84
Other expenses	30	7,090.78	6,187.67
Total expenses		**23,049.88**	**20,148.19**
Profit before exceptional items and tax		2,717.36	2,588.39
Exceptional items ((Refer note 45(2) & (3))		175.85	-
Profit before tax		2,893.21	2,588.39
Tax expense	44		
Current tax		746.68	293.38
Deferred tax (benefit)/charge		(207.32)	383.10
Total tax expense		**539.36**	**676.48**
Profit after tax for the year from continuing operations		2,353.85	1,911.91
Discontinued operations			
Profit before tax from discontinued operations	45	880.83	652.82
Tax expense on discontinued operations	45	313.04	21.06
Profit after tax for the year from discontinued operations		**567.79**	**631.76**
Profit for the year		**2,921.64**	**2,543.67**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		(13.24)	(43.32)
Income tax on items that will not be reclassified to profit or loss		3.53	12.76
Items that will be reclassified to profit or loss			
Exchange differences in translating the financial statements of foreign operations		119.18	295.85
Effective portion of gains/(losses) on hedging instruments in cash flow hedges		66.15	(128.69)
Income tax on items that will be reclassified to profit or loss		(22.47)	44.54
Total other comprehensive income		**153.15**	**181.14**
Total comprehensive income for the year		**3,074.79**	**2,724.81**
Profit attributable to			
Owners of the Company		2,894.71	2,528.54
Non-controlling interests		26.93	15.13
Profit for the year		**2,921.64**	**2,543.67**
Other comprehensive income attributable to			
Owners of the Company		153.58	177.46
Non-controlling interests		(0.43)	3.68
Other comprehensive income for the year		**153.15**	**181.14**
Total comprehensive income attributable to			
Owners of the Company		3,048.29	2,706.00
Non-controlling interests		26.50	18.81
Total comprehensive income for the year		**3,074.79**	**2,724.81**
Earnings per equity share for continuing operations (face value per share ₹ 2 each)			
Basic	40	11.00	9.93
Diluted	40	10.88	9.60
Earnings per equity share for discontinued operations (face value per share ₹ 2 each)			
Basic	40	2.53	3.20
Diluted	40	2.50	3.09
Earnings per equity share for continuing and discontinued operations (face value per share ₹ 2 each)			
Basic	40	13.53	13.13
Diluted	40	13.38	12.69
Significant accounting policies	1		
Notes referred to above form an integral part of the consolidated financial statements	2-46		

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number :101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place: New Delhi
Date: 24 May 2019

For and on behalf of the Board of Directors of
BIRLASOFT LIMITED (Erstwhile KPIT Technologies Limited)
CIN: L72200PN1990PLC059594

Rajeev Gupta
Chief Financial Officer

Amita Birla
Chairman
DIN : 00837718

Sneha Padve
Company Secretary

Anjan Lahiri
CEO & Managing Director
DIN: 06407055

Place: New Delhi
Date: 24 May 2019

Consolidated Statement of Cash Flows for the year ended on 31 March 2019

(Amount in ₹ million)

Particulars	31 March 2019	31 March 2018
A] CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	2,921.64	2,543.67
Adjustments for		
Income tax expense	852.40	697.54
(Profit)/Loss on sale of fixed assets (net)	0.23	(0.91)
Share of loss of equity accounted investees (net of tax)	97.06	72.48
Depreciation/Amortization	1,055.33	843.00
Write-down of slow moving inventory	83.91	80.38
Interest expense	189.34	102.85
Interest income	(157.36)	(52.90)
Dividend income	(52.76)	(49.90)
Gain on sale/redemption of mutual funds	(110.11)	-
Fair value loss on financial assets (investments) at fair value through profit or loss	70.23	-
Profit on sale of shares in subsidiaries	(216.26)	(25.55)
Provision for doubful debts and advances (net)	183.02	(391.24)
Bad debts written off	29.64	789.43
Share based compensation expenses	39.88	29.22
Unrealised foreign exchange loss/(gain)	46.78	176.08
Increase in purchase consideration payable for MicroFuzzy Industrie-Elektronic GmbH	-	34.58
Decrease in purchase consideration payable for KPIT Solutions GmbH	-	(60.80)
Operating Profit before working capital changes	**5,032.97**	**4,787.93**
Adjustments for changes in working capital:		
Trade receivables and unbilled revenue	(5,385.29)	(834.66)
Inventories	(13.99)	114.34
Loans, other financials assets and other assets	(4,987.61)	(162.30)
Trade Payables	3,059.16	305.44
Other financial liabilities, other liabilities and provisions	1,957.80	449.42
Cash (used in)/ generated from operations	(336.96)	4,660.17
Income taxes paid	(378.81)	(585.96)
Net cash (used in)/ generated from operating activities (A)	**(715.77)**	**4,074.21**
B] CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(898.42)	(1,158.97)
Proceeds from sale of property, plant and equipment	0.76	2.14
Proceeds from sale of investment in subsidiary (net)	189.72	-
Sale of investments carried at fair value through profit and loss (net)	1,701.17	143.10
Investment in equity accounted investees	-	(169.55)
Purchase of investments carried at fair value through profit and loss (net)	-	(524.62)
Payment of purchase consideration for acquisition of subsidiaries	-	(48.37)
Interest received	144.59	40.95
Dividend received	52.76	49.90
Fixed Deposit with banks (net) having original maturity over three months	57.43	(261.19)
Net cash generated/ (used) in investing activities (B)	**1,248.01**	**(1,926.61)**

Consolidated Statement of Cash Flows for the year ended on 31 March 2019

(Amount in ₹ million)

Particulars	31 March 2019	31 March 2018
C] CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long term loan from banks	(89.40)	(647.65)
Repayment of Long term loan from other than banks	-	(8.70)
Proceeds from issue of Share Capital and application money	16.57	5.12
Repayment of Working Capital loan (net)	(356.65)	(139.94)
Proceeds from/ (payments for) shares issued/purchased by Employee Welfare Trust (net)	-	107.17
Dividend paid including corporate dividend tax	(554.02)	(502.98)
Interest and finance charges paid	(178.09)	(96.87)
Net cash used in financing activities (C)	**(1,161.59)**	**(1,283.85)**
D] Exchange differences on translation of foreign currency cash and cash equivalents	(14.87)	(1.72)
Net Increase/ (decrease) in cash and cash equivalents (A + B+ C + D)	**(644.22)**	**862.03**
Cash and cash equivalents at close of the year (Refer note 1 below)	3,616.81	4,650.96
Cash and cash equivalents at beginning of the year (Refer note 1 below)	4,650.96	3,788.93
Cash and cash equivalents transferred pursuant to the Composite Scheme of arrangement (net) (Refer note 45)	(389.93)	-
Cash (deficit)/ Surplus for the year	**(644.22)**	**862.03**
Note 1 :		
Cash and cash equivalents include:		
Cash on hand	0.16	0.25
Cheques in hand	311.43	238.62
Balance with banks		
- In current accounts	3,244.45	4,032.09
- In deposit accounts (with original maturity of 3 months or less)	60.77	380.00
Total Cash and cash equivalents	**3,616.81**	**4,650.96**

Note 2:

Figures in brackets represent outflows of cash and cash equivalents.

Note 3:

The above Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard (Ind-AS) 7 on statement of cash flows.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number :101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place: New Delhi
Date: 24 May 2019

For and on behalf of the Board of Directors of
BIRLASOFT LIMITED (Erstwhile KPIT Technologies Limited)
CIN: L72200PN1990PLC059594

Rajeev Gupta
Chief Financial Officer

Amita Birla
Chairman
DIN : 00837718

Sneha Padve
Company Secretary

Anjan Lahiri
CEO & Managing Director
DIN: 06407055

Place: New Delhi
Date: 24 May 2019

Consolidated Statement of Changes in Equity for the year ended on 31 March 2019

A. Equity share capital

(Amount in ₹ million)

	Amount
Balance as at 01 April 2017	376.39
Changes in equity share capital during 2017-18	2.64
Balance as at 31 March 2018	**379.03**
Changes in equity share capital during 2018-19	169.26
Balance as at 31 March 2019	**548.29**

B. Other equity

(Amount in ₹ million)

	Share application money pending allotment with Employee Welfare Trust (EWT)	Reserves & surplus								Items of Other Comprehensive Income		Equity attributable to owners of the Company	Non-controlling interest	Total equity
		Capital Reserve	Capital redemption reserve	Securities premium reserve	Share based payment reserve	General reserve	Amalgamation reserve	Retained earnings	Remeasurement of the net defined benefit Plans (Refer note 36(2) & (3))	Foreign currency translation reserve	Effective portion of cash flow hedges (Refer note 31.3)			
Balance as on 01 April 2017	**0.11**	**27.71**	**40.00**	**3,904.43**	**168.76**	**255.21**	**51.40**	**11,091.88**	**(48.63)**	**(116.54)**	**73.91**	**15,448.24**	**16.86**	**15,465.10**
Profit for the year	-	-	-	-	-	-	-	2,528.54	-	-	-	2,528.54	15.13	2,543.67
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	(30.56)	292.17	(84.15)	177.46	3.68	181.14
Total comprehensive income for the year	-	-	-	-	-	-	-	2,528.54	(30.56)	292.17	(84.15)	2,706.00	18.81	2,724.81
Transactions with owners recognised directly in equity														
Dividends	-	-	-	-	-	-	-	(414.53)	-	-	-	(414.53)	-	(414.53)
Dividend distribution tax	-	-	-	-	-	-	-	(88.45)	-	-	-	(88.45)	-	(88.45)
Accumulated deficit of employee welfare trust	-	-	-	-	-	-	-	107.17	-	-	-	107.17	-	107.17
Share based payments to employees	-	-	-	-	29.22	-	-	-	-	-	-	29.22	-	29.22
Application money received during the year	2.48	-	-	-	-	-	-	-	-	-	-	2.48	-	2.48
Balance as on 31 March 2018	**2.59**	**27.71**	**40.00**	**3,904.43**	**197.98**	**255.21**	**51.40**	**13,224.61**	**(79.19)**	**175.63**	**(10.24)**	**17,790.13**	**35.67**	**17,825.80**
Balance as on 01 April 2018	**2.59**	**27.71**	**40.00**	**3,904.43**	**197.98**	**255.21**	**51.40**	**13,224.61**	**(79.19)**	**175.63**	**(10.24)**	**17,790.13**	**35.67**	**17,825.80**
Profit for the year	-	-	-	-	-	-	-	2,894.71	-	-	-	2,894.71	26.93	2,921.64
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	(9.71)	119.61	43.68	153.58	(0.43)	153.15
Total comprehensive income for the year	-	-	-	-	-	-	-	2,894.71	(9.71)	119.61	43.68	3,048.29	26.50	3,074.79
Transactions with owners recognised directly in equity														
Dividends	-	-	-	-	-	-	-	(456.59)	-	-	-	(456.59)	-	(456.59)

Consolidated Statement of Changes in Equity for the year ended on 31 March 2019

B. Other equity (Contd.)

(Amount in ₹ million)

	Share application money pending allotment with Employee Welfare Trust (EWT)	Reserves & surplus								Items of Other Comprehensive Income		Equity attributable to owners of the Company	Non-controlling interest	Total equity
		Capital Reserve	Capital redemption reserve	Securities premium reserve	Share based payment reserve	General reserve	Amalgamation reserve	Retained earnings	Remeasurement of the net defined benefit Plans (Refer note 36(2) & (3))	Foreign currency translation reserve	Effective portion of cash flow hedges (Refer note 31.3)			
Dividend distribution tax	-	-	-	-	-	-	-	(97.43)	-	-	-	(97.43)	-	(97.43)
Share based payments to employees	-	-	-	-	39.88	-	-	-	-	-	-	39.88	-	39.88
Application money received during the year	11.88	-	-	-	-	-	-	-	-	-	-	11.88	-	11.88
Additional stake purchased in MicroFuzzy Industrie-Elektronic GmbH	-	(127.08)	-	-	-	-	-	-	-	-	-	(127.08)	(30.28)	(157.36)
On account of merger (Refer note 45)	-	610.60	-	-	-	1,526.29	-	2,909.87	-	20.43	-	5,067.19	-	5,067.19
On account of demerger (Refer note 45)	(14.47)	(52.59)	-	-	-	(1,601.73)	-	(7,075.05)	45.27	19.21	(9.75)	(8,689.11)	(31.89)	(8,721.00)
Transfer to share based payment Reserve (Refer note 43(5))	-	-	-	-	255.76	-	-	(255.76)	-	-	-	-	-	-
Transfer from share based payment Reserve	-	-	-	89.87	(132.69)	-	-	42.82	-	-	-	-	-	-
Balance as on 31 March 2019	**-**	**458.64**	**40.00**	**3,994.30**	**360.93**	**179.77**	**51.40**	**11,187.18**	**(43.63)**	**334.88**	**23.69**	**16,587.16**	**-**	**16,587.16**

Significant accounting policies 1

Notes referred to above form an integral part of the standalone financial statements 2 - 46

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration Number :101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place: New Delhi
Date: 24 May 2019

For and on behalf of the Board of Directors of
BIRLASOFT LIMITED (Erstwhile KPIT Technologies Limited)
CIN: L72200PN1990PLC059594

Rajeev Gupta
Chief Financial Officer

Amita Birla
Chairman
DIN : 00837718

Sneha Padve
Company Secretary

Anjan Lahiri
CEO & Managing Director
DIN: 06407055

Place: New Delhi
Date: 24 May 2019

Group Overview

Birlasoft Limited (Erstwhile KPIT Technologies Limited) ("the Company") is a public limited company incorporated under the Companies Act, 1956 and its shares are listed on the National Stock Exchange and Bombay Stock Exchange. The Company's registered office is in Pune and it has subsidiaries and joint venture across multiple geographies. Most of the revenue is generated from the export of services.

The Group provides Software Development, global IT consulting and Product Engineering solutions to its clients, predominantly in Automotive & Transportation, Manufacturing and Energy & Utilities verticals. The Group is also engaged in the production of Integrated Systems, under Product Engineering Solutions vertical.

During the year, the Company entered into the composite scheme of arrangement for (a) amalgamation of Birlasoft (India) Limited (Transferor company) with Birlasoft Limited (Erstwhile KPIT Technologies Limited) (Transferee company or demerged company) and (b) demerger of engineering business of Birlasoft Limited (Erstwhile KPIT Technologies Limited) into KPIT Technologies Limited (Erstwhile KPIT Engineering Limited) (Resulting company) which has been approved by the National Company Law Tribunal (NCLT) Mumbai Bench on 29 November 2018 and certified copy of the order was received on 18 December 2018.

These Consolidated Financial Statements were authorised for issue by the Group's Board of Directors on 24 May 2019.

1. Significant accounting policies

1.1 Basis of consolidation

The Consolidated Financial Statements relate to Birlasoft Limited (Erstwhile KPIT Technologies Limited) ("the Company"), its subsidiary companies and its joint venture which constitutes "the Group".

a. Basis of preparation of consolidated financial statements

i. The financial statements of the subsidiary companies and the joint venture, used in the consolidation, have been aligned with the parent group and are drawn up to the same reporting date as of the group, i.e. year ended 31 March 2019.

ii. 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 Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 , the provisions of Companies Act, 2013 and the composite scheme approved by NCLT. The financial statements are presented in millions of Indian rupees rounded off to two decimal places, except per share information, unless otherwise stated.

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.

These financial statements have been prepared on the historical cost basis, except business combination (other than business combination under common control), accounting 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.

Use of estimates

The preparation of consolidated financial statements requires the management of the group 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 recognized 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 estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and satisfaction of performance obligation. 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 reporting 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.

iii. 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 identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets.

iv. Impairment of goodwill

Goodwill is tested for impairment on an annual basis and whenever 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.

v. Measurement of defined benefit obligation and key actuarial assumptions

Information about assumptions and estimation uncertainities in respect of defined benefit obligations and share based payments is included in note 36 and 43 respectively.

b. Principles of consolidation:

The Consolidated financial statements have been prepared on the following basis:

i. The financial statements of all entities are drawn up to same reporting date as that of the parent group i.e. 31 March 2019 for the purpose of preparation of consolidated financial statements.

ii. 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.

iii. 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 unrealized profits or losses have been fully eliminated. These financial statements are prepared by applying uniform accounting policies in use at the Company.

iv. 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 recognized 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 recognized as gain in the Statement of Profit and Loss in the consolidated financial statements.

v. 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.

vi. The investments in joint venture are accounted for using equity method. The investment is initially recognized at cost and the carrying amount is increased or decreased to recognize the Company's share of the profit or loss of the investee after the date of acquisition. The Company's share of the investee's profit or loss is recognized in the Statement of Profit and Loss.

c. 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 Group. 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. Business combinations involving entities under common control is accounted for at carrying value using the pooling of interest method.

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 recognized 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 derecognized from the consolidated financial statements. The investment retained, if any, is recognized at fair value on that date. The gain or loss associated with the loss of control, attributable to the former controlling interest, is recognized 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.

d. Goodwill

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 recognized immediately in net profit in the Statement of Profit and Loss. Goodwill is measured at cost less accumulated impairment losses.

1.2 Current–non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a. it is expected to be realized 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 realized 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 realization in cash or cash equivalents. The operating cycle of the Group is less than twelve months.

1.3 Revenue recognition

The Group earns revenue primarily from providing IT services, consulting and business solutions. The Group offers a consulting-led, integrated portfolio of IT.

Effective 01 April 2018, the Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Group has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. 01 April 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the consolidated Statement of Profit and Loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. Refer note 1.3 – Significant accounting policies – Revenue recognition in the Annual report of the Group for the year ended 31 March 2018, for revenue recognition policy as per Ind AS 18 and Ind AS 11. The impact of adoption of the standard on the financial statements of the Group is insignificant.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred/ efforts expended determining the degree of completion of the performance obligation.
- Revenue from third party software is recognised upfront at the point in time when software is delivered to the customer, such revenue is recognised on net basis when the Group is acting as an agent."

  Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions 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. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period.

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.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Group disaggregates revenue from contracts with customers by geography and business verticals.

Use of significant judgements in revenue recognition

- 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 judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement 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. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. 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 recognised 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.

- The Group uses judgement 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.

- 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.

- Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of the completion of the performance obligation.

1.4 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized 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.

1.5 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 , than 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 recognized in the Statement of Profit and Loss Assets under construction are disclosed as capital work-in-progress.

1.6 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 Group 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 recognized in the Statement of Profit and Loss as incurred.

Intangible assets are derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal or when the economic benefits are not measurable.

1.7 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(1)	25
Plant and equipment(1)	3-4
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.

Assets taken on lease are amortized over shorter of useful lives and the period of lease.

Perpetual software licenses are amortized over 4 years. However, time-based software licenses are amortized over the license period.

Capitalized development costs are amortized 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.

1.8 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 recognizes 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 recognized is recorded as an impairment gain or loss in Statement of Profit or Loss.

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 recognized when the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's fair value less cost of disposal and value in use. For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Intangible assets which are not yet available for use are tested for impairment annually. Other assets (tangible and intangible) are reviewed at each reporting date to determine if there is any indication of impairment. For assets in respect of which any such indication exists and for intangible assets mandatorily tested annually for impairment, the asset's recoverable amount is estimated.

If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the assets or CGU's recoverable amount is estimated. For assets other than goodwill, the impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Such a reversal is recognized 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.

1.9 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.

1.10 Leases

a. Finance lease

Assets acquired under finance leases are recognized at the lower of the fair value of the leased assets at inception of the lease or the present value of the minimum lease payments. Lease payments are apportioned between the finance charge and the reduction of outstanding liability. The finance charge is allocated to periods during the lease terms at a constant periodic rate of interest on the remaining balance of the liability.

b. Operating lease

Lease arrangements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor, are classified as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on straight line basis over the term of the lease, unless the increase in rentals is in line with expected general inflation.

1.11 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.

1.12 Foreign currency transactions

a. Functional and presentation currency

Indian Rupee is the Group's functional as well as presentation currency. For each subsidiary the Group determines the functional currency and items included in the Consolidated Financial Statements of each entity are measured using that functional 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 realized exchange differences are recognized in the Statement of Profit and Loss. Non-monetary items denominated in foreign currencies and measured at fair value are translated into the functional currency at the exchange rate prevalent at the date when the fair value was determined. Non-monetary items denominated in foreign currencies and measured at historical cost are translated into the functional currency at the exchange rate prevalent at the date of transaction.

c. Translation of foreign operations

For translating the financial statements of foreign branches and subsidiaries, their functional currencies are determined. The results and the financial position of the foreign branches and subsidiaries are translated into presentation currency so that the foreign operation could be included in the consolidated financial statements.

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 recognized. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

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.

1.13 Employee benefits

i) Post-employment benefit plans

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 recognized in Other Comprehensive Income for the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss. Past service cost is recognized 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 recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized 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.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Group's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

ii) 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.

iii) Other employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized 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, bonus and performance incentives.

1.14 Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized 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 recognized 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 recognized as income or expense in the period that includes the enactment or the substantive enactment date. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). A deferred income tax asset is recognized 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 recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum Alternate Tax

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognized as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognized 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 recognized as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

1.15 Provisions, Contingent liabilities and Contingent assets

The Group recognizes 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 recognized 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 recognized 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 recognized in the consolidated financial statements since this may result in the recognition of income that may never be realized.

Onerous contracts

Provisions for onerous contracts are recognized 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 recognizes 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 estimates such cost based on historical experience and the estimates are reviewed periodically for material changes in the assumptions.

Decomissioning Liability

The Group uses various premises on lease to run its operation and records a provision for decommissioning costs to be incurred for the restoration of these premises at the end of the lease period. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is expensed as incurred and recognised in the Statement of Profit and Loss as an interest expense. The estimated future costs of decommissioning and interest rate are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

1.16 Research and development:

Costs incurred during the research phase of a project are expensed when incurred. Costs incurred in the development phase are recognized as an intangible asset in accordance with policy defined in 1.6.

1.17 Employee stock option

In respect of stock options granted pursuant to the Group's Employee Stock Option Scheme, the Group recognizes 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.

1.18 Financial instruments

a. Initial recognition

Financial assets and liabilities are recognized 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 recognized in other comprehensive income.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized 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.

Financial assets or financial liabilities, at fair value through profit or loss

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized 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 realized within 12 months after the Balance Sheet date.

Cash flow hedge

The use of hedging instruments is governed by the Group's policy approved by the Board of Directors, which provides written principles on the use of such financial derivatives consistent with the Group's risk management strategy.

The Group designates certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on firm commitments and highly probable forecast transactions.

Hedging instruments are initially measured at fair value and are re-measured at subsequent reporting dates. The effective portion of changes in the fair value of the derivative is recognized 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 recognized 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 recognized 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 recognized 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 recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/ from share premium.

c. Derecognition of financial instruments

The Group derecognizes 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 derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

d. Fair value of financial instruments

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 realized.

For all other financial instruments the carrying amount approximates fair value due to short maturity of those instruments.

All assets and liabilities for which fair value is measured are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

a. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

b. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

c. Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's finance team determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The team comprises of the head of the treasury operation and chief finance officer.

External valuers are involved for valuation of significant assets and liabilities. Involvement of external valuers is decided on the basis of nature of transaction and complexity involved. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the finance team analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the team verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. A change in fair value of assets and liabilities is also compared with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.19 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Group's cash management.

1.20 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.21 Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

1.22 Discontinued Operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from those of the rest of the Group and which represents a separate major line of business or geographical area of operations and

- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or

- is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

When an operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period.

1.23 Common control business combinations

Business combinations arising from transfer of interests in entities that are under the control of the shareholder that control the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established.

Business combinations involving entities that are controlled by the group are accounted for using the pooling of interests method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
- The diffrence, if any, between consideration and the amount of share capital of required entity is transferred to capital reserve.

1.24 Recent accounting pronouncements

Certain new standards, amendments to standards and interpretations are effective for annual periods beginning after 01 April 2019, and have not been applied in preparing these consolidated financial statements. New standards, amendments to standards and interpretations that could have potential impact on the standalone financial statements of the Group are:

i) Ind AS 116: Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

The Group will adopt Ind AS 116 effective annual reporting period beginning 01 April 2019, using the modified retrospective approach. Accordingly, the Group will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on 01 April 2019.

The Group has not evaluated the impact of the new standard on the consolidated financial statements.

ii) Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company is evaluating the impact of the new standard on the standalone financial statements.

iii) Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

iv) Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

v) Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

vi) Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any long-term interests in associates and joint ventures.

vii) Ind AS 103 – Business Combinations and Ind AS 111 - Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control of a business that is a joint operation.

2A Property, plant and equipment

(Amount in ₹ million)

	Land (Leasehold)	Building	Leasehold improvements	Plant and Equipment	Furniture and Fixtures	Vehicles		Office Equipments	Total
						Leased	Owned		
Gross carrying amount as at 1 April 2017	**449.52**	**474.07**	**286.01**	**1,104.73**	**183.27**	**6.74**	**19.50**	**335.46**	**2,859.30**
Additions	19.64	867.94	22.87	276.99	42.15	-	10.59	202.59	1,442.77
Foreign exchange translation	-	-	0.44	11.69	7.68	0.01	0.83	4.01	24.66
Less: Disposal/ retirements/ derecognition	-	-	-	2.44	0.62	-	0.48	0.74	4.28
Gross carrying amount as at 31 March 2018	**469.16**	**1,342.01**	**309.32**	**1,390.97**	**232.48**	**6.75**	**30.44**	**541.32**	**4,322.45**
Accumulated depreciation as at 1 April 2017	**12.32**	**51.62**	**57.62**	**500.48**	**45.45**	**4.42**	**9.02**	**104.60**	**785.53**
Depreciation (Refer note (iii) below)	6.67	28.78	44.23	267.64	26.81	1.31	7.46	43.80	426.70
Foreign exchange translation	-	-	0.28	12.03	1.83	-	0.73	2.89	17.76
Less: Disposal/ retirements/ derecognition	-	-	-	1.87	0.38	-	0.38	0.42	3.05
Accumulated depreciation as at 31 March 2018	**18.99**	**80.40**	**102.13**	**778.28**	**73.71**	**5.73**	**16.83**	**150.87**	**1,226.94**
Gross carrying amount as at 1 April 2018	**469.16**	**1,342.01**	**309.32**	**1,390.97**	**232.48**	**6.75**	**30.44**	**541.32**	**4,322.45**
Additions	-	124.99	2.94	543.62	29.24	-	12.88	64.64	778.31
On account of merger	-	-	651.44	222.28	87.00	-	1.74	138.04	1,100.50
Less: On account of demerger	405.40	1,080.97	149.94	809.53	163.56	1.72	35.64	385.61	3,032.37
Addition on account of acquisition	-	-	-	1.05	-	-	-	-	1.05
Foreign exchange translation	-	-	0.84	(6.64)	8.56	-	0.81	6.21	9.78
Less: Disposal/ retirements/ derecognition	-	-	0.03	9.27	0.17	-	-	0.03	9.50
Gross carrying amount as at 31 March 2019	**63.76**	**386.03**	**814.57**	**1,332.48**	**193.55**	**5.03**	**10.23**	**364.57**	**3,170.22**
Accumulated depreciation as at 1 April 2018	**18.99**	**80.40**	**102.13**	**778.28**	**73.71**	**5.73**	**16.83**	**150.87**	**1,226.94**
Depreciation (Refer note (iii) below)	5.68	50.89	58.58	301.85	28.79	0.95	6.78	53.62	507.14
On account of merger	-	-	160.99	136.01	53.37	-	0.66	67.27	418.30
Less: On account of demerger	15.24	46.27	36.15	202.62	39.16	1.67	15.51	73.35	429.97
Addition on account of acquisition	-	-	-	0.84	-	-	-	-	0.84
Foreign exchange translation	-	-	0.99	(2.00)	4.50	0.02	0.67	7.05	11.23
Less: Disposal/ retirements/ derecognition	-	-	0.07	8.28	0.14	-	-	0.02	8.51
Accumulated depreciation as at 31 March 2019	**9.43**	**85.02**	**286.47**	**1,004.08**	**121.07**	**5.03**	**9.43**	**205.44**	**1,725.97**
Carrying amount as at 31 March 2018	**450.17**	**1,261.61**	**207.19**	**612.69**	**158.77**	**1.02**	**13.61**	**390.45**	**3,095.51**
Carrying amount as at 31 March 2019	**54.33**	**301.01**	**528.10**	**328.40**	**72.48**	**-**	**0.80**	**159.13**	**1,444.25**

(Amount in ₹ million)

2B Goodwill on consolidation

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Carrying amount at the commencement of the year	4,275.06	4,116.81
Goodwill on acquisition of KPIT Solutions GmbH, Germany (Refer note 45(5))	508.88	-
Transfer on account of merger (Refer note 45(1))	258.69	-
Transfer on account of demerger (Refer note 45(1))	(959.98)	-
Foreign exchange translation	136.50	158.25
Carrying amount at the end of the year	**4,219.15**	**4,275.06**

2C Other intangible assets

	Internally Generated		Other than Internally Generated	Total
	Product Development Cost (Refer note (iii), (iv) & (v))	Technical Knowhow	Software	
Gross carrying amount as at 1 April 2017	**330.26**	**9.51**	**874.14**	**1,213.91**
Additions	640.28	-	178.69	818.97
Foreign exchange translation	0.59	-	6.03	6.62
Gross carrying amount as at 31 March 2018	**971.13**	**9.51**	**1,058.86**	**2,039.50**
Accumulated amortisation as at 1 April 2017	**190.05**	**7.60**	**498.39**	**696.04**
Amortisation (Refer note (iii) below)	146.85	1.90	267.55	416.30
Foreign exchange translation	1.08	-	2.35	3.43
Accumulated amortisation as at 31 March 2018	**337.98**	**9.50**	**768.29**	**1,115.77**
Carrying amount as at 1 April 2017	**140.21**	**1.91**	**375.75**	**517.87**
Carrying amount as at 31 March 2018	**633.15**	**0.01**	**290.57**	**923.73**
Gross carrying amount as at 1 April 2018	**971.13**	**9.51**	**1,058.86**	**2,039.50**
Additions	211.68	-	361.21	572.89
On account of merger	-	-	119.93	119.93
Less: On account of demerger	864.55	9.51	754.75	1,628.81
Foreign exchange translation	12.71	-	3.90	16.61
Gross carrying amount as at 31 March 2019	**330.97**	**-**	**789.15**	**1,120.12**
Accumulated amortisation as at 1 April 2018	**337.98**	**9.50**	**768.29**	**1,115.77**
Amortisation (Refer note (iii) below)	296.40	-	251.79	548.19
On account of merger	-	-	112.45	112.45
Less: On account of demerger	402.19	9.50	468.34	880.03
Foreign exchange translation	4.79	-	1.40	6.19
Accumulated amortisation as at 31 March 2019	**236.98**	**-**	**665.59**	**902.57**
Carrying amount as at 31 March 2018	**633.15**	**0.01**	**290.57**	**923.73**
Carrying amount as at 31 March 2019	**93.99**	**-**	**123.56**	**217.55**

(Amount in ₹ million)

Note :

(i) Refer note 16 and 21 for details of property, plant and equipment pledged as security for borrowings.

(ii) Consequent to composite scheme of arrangement and change in name of entity, the process for transfer of title deeds of the land and building of the Company is initiated and is in process. (Refer note 45).

(iii) Depreciation and amorisation of continuing operations relating to Property, plant and equipment and Intangible assets for current year is ₹498.74 million (Previous year ₹401.84 million).

(iv) With respect to some of the intangible assets, change in the technology resulted in obsolescence of the assets and hence the assets were impaired during the previous year, resulting in an impairment loss of ₹17.64 million, recognised under depreciation and amortization expense in the Statement of Profit and Loss in continuing and discontinued operations.

(v) With respect to some of the intangible assets, the Company was unable to track separately the future economic benefits and the expected cash flows, but yielding results at the combined business level. Further, it was difficult to assess the period over which the benefits were expected to flow. Hence, during the current year, the Company has impaired the intangible asset, resulting in an impairment loss of ₹90.30 million, recognised under depreciation and amortization expense in the Statement of Profit and Loss in continuing and discontinued operations.

3. Non current investments

Particulars		31 March 2019	31 March 2018 (Refer note 45)
Investments (Unquoted)			
3A	**Investments in equity accounted investees**		
	Yantra Digital Services Private Limited (including goodwill of Nil (Previous year ₹77.81 million)	-	169.60
	Nil (Previous Year 7,000) equity shares of ₹10 each fully paid up		
	Less : Share of loss	-	72.53
		-	97.07
3B	**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 10,000) Compulsorily Convertible Preference shares of ₹1,000 each fully paid up		
	Munchner bank	-	0.40
	Nil (Previous year 100) equity share of ₹ 50 each fully paid up		
		-	**10.40**
		-	**107.47**

Note:

(i) Information about the Group's exposure to credit risk and foreign currency risk is disclosed in note 31.

(Amount in ₹ million)

4. Loans

Particulars	31 March 2019	31 March 2018 (Refer note 45)
(Unsecured, considered good unless otherwise stated)		
Loans and advances to related parties		
Loan to Director	-	11.81
Loans and advances to other than related parties		
Security deposits	100.34	156.85
Loan to employees	-	6.85
	100.34	**175.51**

Note:

(i) Information about the Group's exposure to interest rate risk, foreign currency risk and credit risk is disclosed in note 31.

5. Other financial assets

Particulars	31 March 2019	31 March 2018 (Refer note 45)
(Unsecured, considered good unless otherwise stated)		
Fixed deposits with banks	68.30	21.49
Margin money deposits	11.21	10.54
Interest accrued on fixed deposits	3.76	1.36
Others	0.51	-
	83.78	**33.39**

Note:

(i) Information about the Group's exposure to interest rate risk, foreign currency risk, credit risk and liquidity risk is disclosed in note 31.

6. Deferred tax assets (net)

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Deferred tax assets		
-Provision for doubtful debts and advances	104.19	72.12
-Provision for compensated abscences	140.79	137.00
-Provision for gratuity	82.30	105.21
-Excess of depreciation/amortisation on property, plant and equipment provided in books over depreciation/amortisation as under income-tax law.	185.34	10.10
-Forward contracts designated as cash flow hedges	-	5.42
-Transaction cost	302.08	-
-Rent equilisation reserve	5.54	-
- Accrued expenses	55.22	-
- Unearned revenue	28.34	-
-Others (mainly includes employee related provision)	53.17	51.69
-MAT credit entitlement	516.98	642.51
	1,473.95	**1,024.05**

(Amount in ₹ million)

6. Deferred tax assets (net) (Contd.)

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Deferred tax liabilities		
-Excess of depreciation/amortisation on property, plant and equipment under income-tax law over depreciation/amortisation provided in accounts	2.35	79.95
-Forward contracts designated as cash flow hedges	11.80	-
-Forward contracts designated as fair value through profit and loss	16.40	
-Gratuity fund plan assets	4.27	-
-Others	6.54	-
	41.36	**79.95**
Net deferred tax asset	**1,432.59**	**944.10**

7. Other non-current assets

Particulars	31 March 2019	31 March 2018 (Refer note 45)
(Unsecured, considered good unless otherwise stated)		
Capital advances	2.54	10.65
Advance rentals	21.97	32.34
Prepaid expenses	5.35	8.15
Balance in Group Gratuity Trust Account	21.86	20.40
	51.72	**71.54**

8. Inventories

Particulars	31 March 2019	31 March 2018 (Refer note 45)
(Valued at the lower of cost and net realisable value)		
Raw materials (Refer note (i) below)	-	171.13
Work-in-progress	-	8.35
Finished goods	-	49.70
Stores and spares	-	9.59
	-	**238.77**

Note :

i) The Group has written-down its slow moving inventory of ₹83.91 million (Previous year ₹80.38 million) with corresponding effect on cost of materials consumed in the Statement of Profit and Loss in discontinued operations

(Amount in ₹ million)

9. Current investments

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Investments in equity instruments of other entities measured at fair value through profit or loss (unquoted)		
Saraswat Co-operative Bank Limited	0.00*	0.00*
1 (Previous year 1) equity share of ₹ 10 each fully paid up		
Investments in Mutual funds measured at fair value through profit or loss (quoted)		
Nil units (Previous year 882,300 units) Birla Sun Life Savings Fund - Daily Dividend - Regular Plan	-	88.47
Nil units (Previous year 234,874 units) - Axis Liquid Fund - Daily Dividend	-	235.20
Nil units (Previous year 115,857 units) Reliance Liquid Fund- Treasury Plan- Daily Dividend Option	-	177.21
Nil units (Previous year 184,588 units) Kotak Floater Short Term- Daily Dividend	-	186.73
Nil units (Previous year 1,838,983 units) ICICI Prudential Money Market Fund - Daily dividend	-	184.24
Nil units (Previous year 309,076 units) L&T Liquid Fund - Regular Daily Dividend Reinvestment Plan	-	312.90
135,131 units (Previous year Nil units) L&T Liquid fund Regular Growth	345.08	-
126,173 units (Previous year Nil units) Kotak liquid Regular Plan-Growth	476.01	-
101,124 units (Previous year Nil units) HDFC Liquid Fund-Regular Plan- Growth	370.15	-
672,404 units (Previous year Nil units) ICICI Prudential Liquid Fund- Growth	185.19	-
31,777 units (Previous year Nil units) ICICI Prudential Money Market Fund- Growth	8.22	-
1,753,558 units (Previous year Nil units) Aditya Birla sun life liquid Fund-Growth	524.32	-
	1,908.97	**1,184.75**

* Since denominated in ₹ Million

Note :

(i) Information about the Group's exposure to credit risk and liquidity risk is disclosed in note 31.

10. Trade receivables

Particulars	31 March 2019	31 March 2018 (Refer note 45)
(Unsecured)		
Trade Receivables considered good	7,107.49	8,057.00
Trade Receivables - credit impaired	293.90	378.99
	7,401.39	**8,435.99**
Less: Allowances for bad and doubtful trade receivables	293.90	378.99
	7,107.49	**8,057.00**

Note :

(i) Trade receivables from related parties are disclosed in note 38.

(ii) The Group's exposure to credit risk, currency risk and loss allowance related to trade receivables are disclosed in note 31.

(Amount in ₹ million)

11. Cash and bank balances

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Cash and cash equivalents		
- Cash on hand	0.16	0.25
- Cheques in hand	311.43	238.62
Balances with banks		
- In current accounts	3,244.45	4,032.09
- In deposit accounts(with original maturity of 3 months or less)	60.77	380.00
	3,616.81	**4,650.96**
Other bank balances (includes unclaimed dividend of ₹7.35 million (Previous year ₹6.84 million))	154.74	398.34
	3,771.55	**5,049.30**

Note :

(i) Information about the Group's exposure to credit risk, interest rate risk, foreign currency risk and liquidity risk is disclosed in note 31.

12. Loans

Particulars	31 March 2019	31 March 2018 (Refer note 45)
(Unsecured, considered good unless otherwise stated)		
Loans and advances to related parties (Refer note 38)		
- Loan to director	-	6.08
Loans and advances to other than related parties		
Other loans and advances		
Loan to employees	-	3.12
Security deposits		
Security deposits considered good	48.28	96.62
Security deposits - credit impaired	9.16	-
	57.44	**96.62**
Less: Allowance for doubtful advances	9.16	-
	48.28	**96.62**
- Other receivables	0.06	0.06
	48.34	**105.88**

Note :

(i) Information about the Group's exposure to credit risk, interest rate risk, foreign currency risk and liquidity risk is disclosed in note 31.

(Amount in ₹ million)

13. Other current financial assets

Particulars	31 March 2019	31 March 2018 (Refer note 45)
(Unsecured, considered good unless otherwise stated)		
Interest accrued on fixed deposits	4.16	3.79
Forward contracts		
- designated as cash flow hedges	35.50	-
- measurement at fair value through profit & loss	46.92	-
Other receivables	21.23	21.80
Other receivable from related party (Refer note 38)	1,830.62	-
Sale consideration receivable (Refer note 46(4))	-	40.14
	1,938.43	**65.73**

Note :

(i) Information about the Group's exposure to credit risk, interest rate risk, foreign currency risk and liquidity risk is disclosed in note 31.

14. Other current assets

Particulars	31 March 2019	31 March 2018 (Refer note 45)
(Unsecured, considered good unless otherwise stated)		
Contract assets -from fixed price contracts (Refer note 35(b))	246.93	-
Advance to suppliers	88.99	70.38
Employee advances		
Considered good	81.90	96.93
Credit impaired	35.10	29.51
	117.00	126.44
Less: Provision for doubtful advances	35.10	29.51
	81.90	**96.93**
Balances with statutory authorities	287.68	234.53
Gratuity fund plan assets (Refer note 36(3))	12.22	-
Advance rentals	5.72	10.19
Prepaid expenses	260.26	301.83
Others	6.65	5.73
	990.35	**719.59**

(Amount in ₹ million)

15. Equity share capital

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Authorised:		
870,000,000 (Previous year 625,000,000) equity shares of ₹2 each.	1,740.00	1,250.00
	1,740.00	**1,250.00**
Issued subscribed and fully paid up:		
274,143,808 (Previous year 189,514,051) equity shares of ₹2 each fully paid up	548.29	379.03
	548.29	**379.03**

15.1 The Company declares and pays dividends in Indian rupees. The dividend proposed to be distributed to equity shareholders for the year ended 31 March 2019 is ₹548.29 million i.e. ₹2.00 per share (Previous year ₹474.00 million i.e. ₹2.40 per share). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Dividends during the year ended 31 March 2019 include ₹2.40 per share towards final dividend for the year ended 31 March 2018. Dividends during the year ended 31 March 2018 include ₹2.20 per share towards final dividend for the year ended 31 March 2017.

15.2 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.

15.3 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	31 March 2019		As at 31 March 2018	
	Number of shares	(₹)	Number of shares	(₹)
Equity shares				
At the beginning of the year	189,514,051	379.03	188,193,398	376.39
Add: Shares issued on exercise of employee stock options	2,343,318	4.69	1,320,653	2.64
Add: Shares issued in business combination (Refer note 45)	76,645,066	153.29	-	
Add: Shares held by Employee Welfare Trust (EWT)*	5,641,373	11.28	-	
Outstanding at the end of the year	**274,143,808**	**548.29**	**189,514,051**	**379.03**

* Pursuant to the composite scheme of arrangement the shares held by EWT have been transferred to the resulting company hence are not eliminated in current year.

15.4 The Company has only one class of shares referred to as equity shares having a par value of ₹2 each. Each shareholder of equity shares is entitled to one vote per share.

(Amount in ₹ million)

15.5 Number of equity shares held by each shareholder holding more than 5% shares in the Company are as follows:

Name of the shareholders	31 March 2019		As at 31 March 2018	
	Number of shares as at 31 March 2019	% of shares held	Number of shares as at 31 March 2018	% of shares held
National Engineering Industries Limited	86,663,985	31.61%	-	-
Proficient finstock LLP	15,130,949	5.52%	28,609,782	14.49%

15.6 Aggregate number of equity shares allotted as fully paid up by way of bonus shares for the period of five years immediately preceding the Balance Sheet date - Nil (Previous year - Nil)

15.7 Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceeding the reporting date

(i) 76,645,066 (Previous year : Nil) equity shares of ₹2 each have been alloated as fully paid up pursuant to the amalgamation of the transferor company.

(ii) 2,343,318 (Previous year : 1,320,653) equity shares have been issued under Employee stock option plan.

15.8 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.

16. Non-current borrowings

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Term loans		
- From banks (Secured)		
External Commercial Borrowing (ECB) (Refer note (i) & (ii) below)	-	647.59
Other loan (Refer note (iii) below)	-	3.70
- From other than banks (Refer note (iv) & (v) below)	-	10.77
	-	**662.06**

Notes:

(i) The ECB loan consisted of loan secured by pari passu charge over the Company's Land and Building located at Plot No. 35,36 & 45, MIDC area of Rajiv Gandhi Infotech Park, Phase I, Hinjawadi excluding charge over R&D Centre developed in the premises. The term loan carried interest rate of 6 months LIBOR + 220 basis points. The ECB loan was repaid during the previous year.

(ii) The ECB loan consisted of loan secured by pari passu charge over the Company's Land and Building located at Plot No. 17, Rajiv Gandhi Infotech Park, Phase III, Hinjawadi. The term loan carried interest rate of 6 months LIBOR + 160 basis points. The said loan is transferred to the Resulting Company as part of composite scheme of arrangement. The principal amount of loan outstanding as at the Balance Sheet date is Nil.

(iii) Other term loans from bank were secured against fixed assets obtained under the loan arrangement. The loan carried interest upto 10.10 % p.a.The said loan is transferred to the Resulting Company as part of composite scheme of arrangement.

(Amount in ₹ million)

(iv) Term loan from other than banks consisted of loan secured by way of first and exclusive charge on fixed assets acquired under the loan arrangement. The loan was repaid during the previous year.

(v) Term loan from other than banks consisted of unsecured loan, carrying interest rate of 3% p.a. The said loan is transferred to the Resulting Company as part of composite scheme of arrangement.

(vi) Information about the Group's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 31.

17. Other non-current financial liabilities

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Other than trade payables		
Purchase consideration payable		
- MicroFuzzy Industrie-Elektronic GmbH (Refer note 46 (5))	-	156.14
	-	**156.14**

18. Other non-current liabilities

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Lease equalization reserve	58.80	-
	58.80	**-**

19. Provisions - non-current

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Provision for employee benefits		
- Compensated Absences	420.08	366.02
- Gratuity (Refer note 36(2))	214.18	321.42
Other provisions		
- Provision for lease restoration costs (Refer note 42(3))	3.11	-
	637.37	**687.44**

20. Deferred tax liabilities (net)

Particulars	31 March 2019	31 March 2018 (Refer note 45)
-Excess of depreciation/amortisation on fixed assets under income-tax law over depreciation/amortisation	-	0.21
Net deferred tax liabilities	**-**	**0.21**

(Amount in ₹ million)

21. Current borrowings

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Loans repayable on demand		
- From banks		
Working capital loans from banks (secured) (Refer note (i) below)	381.15	2,109.09
	381.15	**2,109.09**

Notes:

(i) The above loan is secured by way of first charge by way of hypothecation of Company's entire book debts, both present and future, on pari passu basis, carrying an average interest rate upto 6 months LIBOR plus 0.93% p.a. (Previous year : 0.70% p.a.)

(ii) Information about the Group's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 31.

22. Trade payables

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Total outstanding dues of micro enterprises and small enterprises (Refer note 37)	10.51	0.99
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note 38)	2,137.77	1,586.17
	2,148.28	**1,587.16**

Notes:

(i) Trade payables from related parties are disclosed in note 38.

(i) Information about the Group's exposure to foreign currency risk and liquidity risk is disclosed in note 31.

23. Other current financial liabilities

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Current maturities of long term debt		
- from banks (secured)	-	326.15
(Refer note 16 - Term loan from banks for details of security and repayment terms)		
- from others	-	1.82
(Refer note 16 Term loan from other than banks for details of security and repayment terms)		
- Current maturities of finance lease obligations (Refer note 39(1))	-	0.94
Other than trade payables :		
Purchase consideration payable		
- KPIT Solutions GmbH, Germany	-	8.06
- MicroFuzzy Industrie-Elektronic GmbH	-	39.32
Payable to Joint Venture	-	1.36
Other payable to related party (Refer note 38)	1,958.73	-
Accrued employee costs	1,099.13	1,291.50
Unclaimed dividend	7.35	6.84
Payables in respect of fixed assets	87.75	134.05
Security deposits	1.70	1.08
Forward contracts designated as cash flow hedges	-	15.66
	3,154.66	**1,826.78**

Notes:

(i) Information about the Group's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 31.

(Amount in ₹ million)

24. Other current liabilities

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Unearned revenue	446.16	850.10
Advances from customers	39.03	4.64
Statutory remittances	389.26	591.49
Lease equilisation reserve	12.66	-
	887.11	**1,446.23**

25. Provisions - current

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Provision for employee benefits		
- Compensated Absences	145.78	302.00
- Gratuity (Refer note 35(2))	21.33	49.57
Other provisions		
- Service tax payable (net of tax paid under protest)	3.54	3.54
- Provision for Onerous contarcts	0.06	1.66
- Provision for warranty (Refer note 42(1))	3.24	13.97
	173.95	**370.74**

26. Revenue from operations

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Software services (Refer note 35)	25,506.67	22,497.96
	25,506.67	**22,497.96**

27. Other income

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Interest income	67.41	20.57
Dividend income from current investments	52.76	49.90
Gain on sale/redemption of mutual funds	110.11	-
Foreign exchange gain (net) (Refer note (i) below)	-	151.74
Other non operating income (net of expenses directly attributable to such income) (including miscellaneous income)	30.29	16.41
	260.57	**238.62**

Notes:

(i) Includes gains/(losses) (net) on forward contracts designated as cash flow hedges transferred from cash flow hedging reserve ₹15.66 million (Nil pertains to discontinued operations) (Previous year - ₹(113.03) million) (Refer note 31(3)).

(Amount in ₹ million)

28. Employee benefits expense

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Salaries, wages and incentives	15,068.57	13,255.87
Contribution to provident fund (Refer note 36(1))	198.32	164.73
Share based compensation to employees (Refer note 43)	35.33	17.18
Staff welfare expenses	49.71	39.57
	15,351.93	**13,477.35**

29. Finance costs

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Interest expense (Refer note (i) below)	108.43	81.33
	108.43	**81.33**

Note

(i) Includes amount of ₹Nil (Previous year - ₹0.19 million) pertaining to finance lease obligations.

30. Other expenses

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Travel and overseas expenses (net)	947.09	940.89
Transport and conveyance (net)	247.81	161.86
Cost of service delivery (net)	241.81	364.56
Cost of professional sub-contracting (net)	3,407.26	3,182.27
Recruitment and training expenses	131.88	81.31
Power and fuel	89.67	81.36
Rent (Refer note 39(2))	264.75	180.89
Repairs and maintenance -		
- buildings	46.05	0.96
- plant and equipment	128.24	108.32
- others	47.63	47.44
Insurance	89.99	62.94
Rates and taxes	37.41	52.87
Communication expenses (net)	157.20	117.14
Legal and professional fees (Refer note 45(b))	575.90	285.01
Marketing expenses	198.52	161.36
Loss on sale of fixed assets(net)	0.23	-
Fair value loss on financial assets (investments) at fair value through profit or loss	70.23	-
Printing & stationery	11.80	7.65
Foreign exchange loss (net) (Refer note 27 (i))	25.42	-

(Amount in ₹ million)

30. Other expenses (Contd.)

Particulars	31 March 2019	31 March 2018 (Refer note 45)
Auditors remuneration (net of taxes)		
- Audit fees	11.00	9.00
- Limited review of quarterly results	1.50	1.20
- Fees for other services	1.47	6.87
- Out of pocket expenses reimbursed	0.74	0.89
Bad debts written off	9.99	50.96
Provision for doubtful debts and advances (net)	85.86	69.36
Contributions towards corporate social responsibility (Refer note 46(3))	43.43	27.17
Miscellaneous expenses (net)	217.90	185.39
	7,090.78	**6,187.67**

Note

Certain expenses are net of recoveries/reimbursements from customers.

31. Financial Instruments

31.1 Financial Instruments by category

The carrying value and fair value of financial instruments by categories as on 31 March 2019 are as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss (FVTPL)		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Financial assets							
Investments	-	-	1,908.97	-	-	1,908.97	1,908.97
Trade receivables	7,107.49	-	-	-	-	7,107.49	7,107.49
Cash and cash equivalents	3,616.81	-	-	-	-	3,616.81	3,616.81
Other balances with banks	154.74	-	-	-	-	154.74	154.74
Loans	148.68	-	-	-	-	148.68	148.68
Unbilled revenue	969.91	-	-	-	-	969.91	969.91
Other financial assets	1,939.79	-	46.92	-	35.50	2,022.21	2,022.21
Total financial assets	**13,937.42**	**-**	**1,955.89**	**-**	**35.50**	**15,928.81**	**15,928.81**
Financial liabilities							
Borrowings	381.15	-	-	-	-	381.15	381.15
Trade payables	2,148.28	-	-	-	-	2,148.28	2,148.28
Other financial liabilities	3,154.66	-	-	-	-	3,154.66	3,154.66
Total financial liabilities	**5,684.09**	**-**	**-**	**-**	**-**	**5,684.09**	**5,684.09**

(Amount in ₹ million)

The carrying value and fair value of financial instruments by categories as on 31 March 2018 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss (FVTPL)		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Financial assets							
Investments	-	-	1,195.15	-	-	1,195.15	1,195.15
Trade receivables	8,057.00	-	-	-	-	8,057.00	8,057.00
Cash and cash equivalents	4,650.96	-	-	-	-	4,650.96	4,650.96
Other balances with banks	398.34	-	-	-	-	398.34	398.34
Loans	281.39	-	-	-	-	281.39	281.39
Unbilled revenue	1,151.15	-	-	-	-	1,151.15	1,151.15
Other financial assets	58.98	40.14	-	-	-	99.12	99.12
Total financial assets	**14,597.82**	**40.14**	**1,195.15**	**-**	**-**	**15,833.11**	**15,833.11**
Financial liabilities							
Borrowings	2,771.15	-	-	-	-	2,771.15	2,747.56
Trade payables	1,587.16	-	-	-	-	1,587.16	1,587.16
Other financial liabilities	1,967.26	-	-	-	15.66	1,982.92	1,982.92
Total financial liabilities	**6,325.57**	**-**	**-**	**-**	**15.66**	**6,341.23**	**6,317.64**

31.2 Fair value hierarchy

Financial assets and liabilities include cash and cash equivalents, other balances with banks, trade receivables, loans, unbilled revenue, other financial assets, borrowings, 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.

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 on 31 March 2019:

Particulars	As at 31 March 2019	Fair value measurement		
		Level 1	Level 2	Level 3
Investment in equity instruments of other entities	0.00*	-	-	0.00*
Investments in Mutual funds (quoted)	1,908.97	1,908.97	-	-
Forward contract designated fair value through profit and loss	46.92		46.92	-
Forward contract designated as cash flow hedge	35.50	-	35.50	-
Loans	100.34	-	100.34	-
Borrowings	381.15	-	381.15	-

* Since denominated in ₹ Million

(Amount in ₹ million)

The following table presents fair value hierarchy of assets and liabilities as on 31 March 2018:

Particulars	As at 31 March 2018	Fair value measurement		
		Level 1	Level 2	Level 3
Investment in Lithium Urban Technologies Private Limited	10.00	-	-	10.00
Investment in equity instruments of other entities	0.40	-	-	0.40
Investments in Mutual funds (quoted)	1,184.75	1,184.75	-	-
Derivative financial liabilities	15.66	-	15.66	-
Loans	175.51	-	175.51	-
Borrowings	2,747.56	-	2,747.56	-

Reconciliation of fair value measurement:

Particulars		31 March 2019	31 March 2018
i)	**Unquoted investment in equity instruments classified as FVTPL (Level 3)**		
	Opening balance	10.40	127.90
	Additions during the year	-	-
	Disposals during the year	-	117.55
	Transfer on account of demerger	10.40	-
	Exchange gain/(loss)	-	0.05
	Closing balance	-	10.40
ii)	**Purchase consideration payable classified as FVTPL (Level 3)**		
	Opening balance	-	67.21
	Fair value changes recognised in the Statement of Profit and Loss	-	60.80
	Finance costs recognised in the Statement of Profit and Loss	-	2.24
	Paid during the year	-	(8.07)
	Reclassification	-	(8.06)
	Exchange gain/(loss)	-	(7.48)
	Closing balance	-	-

Valuation technique and significant unobservable inputs:

Level 2:

(i) Derivative financial assets are valued based on inputs that are directly or indirectly observable in the market.

(ii) Borrowings are valued using the discounted cash flow method, the expected net cash flows are discounted using the cost of borrowing that are directly or indirectly observable in the market.

(Amount in ₹ million)

Level 3:

Valuation techniques	Significant unobservable inputs
For valuation of investment in equity instruments, discounted cash flow method is used to capture the present value of expected future economic benefits. Under the discounted cash flow method, the net cash flows expected to be generated are discounted using the weighted average cost of capital.	- Budgeted revenue growth rate (5%) - Weighted average cost of capital (19%-25%)
The valuation of contingent consideration considers the present value of expected payment, discounted using a risk adjusted discount rate. The expected payment is determined by considering the possible scenarios of profit before tax, the amount to be paid under each scenario and the probability of each scenario.	- Risk adjusted discount rate for respective economies (3%) - Probability assigned to each scenario of profit before tax

Significant increase in discount rates and spreads above risk free rate, in isolation would result in lower fair values. A significant increase in volatility in revenue growth rates will result in higher fair value.

31.3 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 Committees, 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 receivables from customers amounting to ₹7,107.49 million and ₹8,057.00 million and unbilled revenue amounting to ₹969.91 million and ₹1,151.15 million as on 31 March 2019 and 31 March 2018 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. For the details of the Group's exposure to credit risk by geographic region and revenue genarated from top customer, refer note 32B and 32D.

ii. Impairment

Movement in the allowance for impairment in respect of trade and other receivables for continuing and discontinued operations

Particulars	Amount
Balance as on March 31, 2017	**758.89**
Impairment during the year	610.50
Reversal of impairment on account of collection	(208.70)
Utilisation of allowance	(793.04)
Foreign exchange translation	11.34
Balance as on March 31, 2018	**378.99**

(Amount in ₹ million)

Particulars	Amount
Impairment during the year	430.31
Reversal of impairment on account of collection	(226.00)
Utilisation of allowance	(29.19)
Addition on account of amalgamation of transferor company	12.00
Transferred to resulting company	(278.76)
Foreign exchange translation	6.55
Balance as on March 31, 2019	**293.90**

Trade receivables that were not impaired

Particulars	31 March 2019	31 March 2018
Neither past due nor impaired	4,969.46	5,668.46
Past due 1- 30 days	1,202.26	1,292.53
Past due 31 - 90 days	638.42	486.83
Past due 91 - 180 days	238.21	454.32
More than 180 days	59.14	154.86

Unbilled revenue is not outstanding for more than 120 days.

iii. Cash and bank balances

The Group held cash and bank balances of ₹3,847.77 million and ₹5,075.94 million as on 31 March 2019 and 31 March 2018 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 only on behalf of subsidiaries and joint venture. The Group has issued the guarantees to certain banks in respect of credit facilities granted to its subsidiaries.

v. Investment

The Company invest surplus funds in mutual fund schemes.These mutual fund are regulated by Securities and Exchange Board of India(SEBI)

b. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group has a view of maintaining liquidity and to take minimum possible risk while making investments. In order to maintain liquidity, the Group invests its excess funds in short term liquid assets like liquid mutual funds. The Group monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

The liquidity position at each reporting date is given below:

Particulars	31 March 2019	31 March 2018
Cash and cash equivalents	3,616.81	4,650.96
Other balances with banks (excluding unclaimed dividend)	147.39	391.50
Investments in Mutual funds (quoted) (non-trade)	1,908.97	1,184.75
Fixed deposits with banks (non-current portion) including interest accrued	76.22	26.64
Total	**5,749.39**	**6,253.85**

The following are the remaining contractual maturities of financial liabilities as on 31 March 2019:

Particulars	Less than 1 year	1-2 years	2-4 years	4-5 years	> 5 years	Total
Borrowings	381.15	-	-	-	-	381.15
Trade payables	2,148.28	-	-	-	-	2,148.28
Other financial liabilities	3,154.66	-	-	-	-	3,154.66

The following are the remaining contractual maturities of financial liabilities as on 31 March 2018:

Particulars	Less than 1 year	1-2 years	2-4 years	4-5 years	> 5 years	Total
Borrowings	2,109.09	326.68	328.20	1.20	5.98	2,771.15
Trade payables	1,587.16	-	-	-	-	1,587.16
Other financial liabilities	1,826.78	156.14	-	-	-	1,982.92

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 75% 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 following is the Group's exposure to currency risk from financial instruments as of 31 March 2019 (Amount in ₹ million):

Particulars	US Dollars	Euros	Pound Sterling	Other currencies	Total
Cash and cash equivalents	523.20	29.91	24.96	122.42	700.49
Trade receivables	372.93	146.13	5.19	129.34	653.59
Other financial assets (including loan and unbilled revenue)	670.82	691.43	340.33	141.51	1,844.09
Borrowings	(381.15)	-	-	-	(381.15)
Trade payables	(27.98)	(9.60)	(6.18)	(93.31)	(137.07)
Other financial liabilities	(14.46)	(106.74)	(27.84)	(21.54)	(170.58)
Net assets/(liabilities)	**1,143.36**	**751.13**	**336.46**	**278.42**	**2,509.37**

The following is the Group's exposure to currency risk from financial instruments as of 31 March 2018 (Amount in ₹ million):

Particulars	US Dollars	Euros	Pound Sterling	Other currencies	Total
Cash and cash equivalents	207.05	220.00	100.99	318.51	846.55
Trade receivables	122.71	2.95	-	684.24	809.90
Other financial assets (including loan, unbilled revenue)	6.04	6.68	7.05	25.30	45.07
Borrowings	(2,256.28)	(161.24)	-	-	(2,417.52)
Trade payables	(23.36)	(10.43)	(2.13)	(21.78)	(57.70)
Other financial liabilities	(346.23)	(5.65)	-	-	(351.88)
Net assets/(liabilities)	**(2,290.07)**	**52.31**	**105.91**	**1,006.27**	**(1,125.58)**

The above figures exclude amounts in local currency of foreign subsidiaries.

For the year ended 31 March 2019, every 1% appreciation/depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately (0.82)%/0.82%.

For the year ended 31 March 2018, every 1% appreciation/depreciation of the exchange rate between respective foreign currencies and the Indian rupee would impact the operating margins by approximately (0.30)%/0.30%.

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 GBP/USD/EUR: INR Currency Exchange Contracts entered into by the Group which has been designated as Cash Flow Hedges:

Particulars	31 March 2019		31 March 2018	
	Foreign Currency	₹	Foreign Currency	₹
EUR	0.70	54.40	4.10	330.55
USD	28.00	1,936.20	39.35	2,559.49
GBP	0.60	54.42	1.60	147.66

The forward contracts entered have maturity between 30 days to 6 months from the Balance Sheet date.

The movement in the hedging reserve for derivatives, which have been designated as Cash Flow Hedges, is as follows:

Particulars	31 March 2019	31 March 2018
Balance at the beginning of the year	(10.24)	73.91
Gains/(losses) recognised in other comprehensive income	50.49	(15.66)
Amounts reclassified to statement of profit and loss	15.66	(113.03)
Deferred tax on fair value of effective portion of cash flow hedges	(22.47)	44.54
Transfer on account of demerger	(9.75)	-
Balance at the end of the year	23.69	(10.24)

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 exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates and bank deposits. The interest rate profile of the Group's interest-bearing financial instruments is as follows:

Particulars	31 March 2019	31 March 2018
Fixed rate instruments		
Financial assets	287.67	831.39
Financial liabilities	381.15	2,126.32
Variable rate instruments		
Financial liabilities	-	973.74

A change of 50 basis points in interest rates at the reporting date would have increased or decreased finance costs by ₹1.90 million (Previous year ₹ 4.88 million).

32. Segment Information

Birlasoft Limited (Erstwhile KPIT Technologies Limited) provides software development and IT consulting to its customers predominantly in the automotive, manufacturing, energy & utilities verticals. The customers in these verticals are located at US/ Europe/ APAC region. To enable the Group to serve their specific needs, the Group has set up legal entities in the respective geographies. The business is structured in such a way that the predominently 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 the each geography. The risk and rewards of the Group 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.

A) Geographical segments

Segment information is based on geographical location of customers.

	31 March 2019				31 March 2018			
	USA	UK & Europe	Rest of World	Total	USA	UK & Europe	Rest of World	Total
a) Segment Revenue (continuing operations)								
Revenue from External customers	19,930.16	2,941.31	8,660.55	31,532.03	17,004.39	2,633.93	7,381.76	27,020.08
Less: Inter Segment Revenue	56.75	90.13	5,878.48	6,025.36	142.45	88.92	4,290.75	4,522.12
Total Segment Revenue	19,873.41	2,851.18	2,782.07	25,506.67	16,861.94	2,545.01	3,091.01	22,497.96
b) Segment Results (continuing operations)	4,846.66	763.82	508.99	6,119.47	3,694.25	570.17	560.43	4,824.85
Unallocated Corporate expenses (Net)				(3,413.85)				(2,225.60)
Interest income				67.41				20.57
Finance Cost				(108.43)				(81.33)
Dividend income				52.76				49.90
Exceptional Items				175.85				-
Profit before share of equity accounted investees and tax from continuing operations				2,893.21				2,588.39
Share of profit/(loss) of equity accounted investees (net of tax)				-				-
Profit before tax from continuing operations				2,893.21				2,588.39
Income Tax				(746.68)				(293.38)
Deferred Tax				207.32				(383.10)
Profit/ (Loss) after Tax from continuing operations				2,353.85				1,911.91
c) Allocated Segment Assets	5,856.32	1,037.88	1,430.12	8,324.32	3,498.02	685.89	1,203.76	5,387.67
Unallocated Segment Assets				545.95*				495.49
Unallocated Corporate Assets				16,105.55				6,844.68
Total assets from discontinued operations				-				14,601.10
Total Assets				24,975.82				27,328.94
d) Allocated Segment Liabilities	306.68	107.78	70.73	485.19	95.18	43.79	293.64	432.61
Unallocated Segment Liabilities				6,974.03*				2,552.78
Unallocated Corporate Liabilities				381.15				2,109.09
Total liabilities from discontinued operations				-				4,029.63
Total Liabilities				7,840.37				9,124.11
e) Cost incurred during the period to								
acquire Segment Non-current Assets	-	-	-	- #	-	-	-	-
f) Depreciation/Amortisation				498.74#				401.84
g) Non cash expenses other than								
Depreciation/Amortisation				- #				-

B) Business segments

	31 March 2019					31 March 2018				
	IES	SAP	DT	Others	Total	IES	SAP	DT	Others	Total
a) Segment Revenue	11,908.20	6,755.94	5,055.54	1,786.99	25,506.67	11,303.08	7,357.80	3,767.72	69.36	22,497.96
b) Segment Assets					8,870.27	-	-	-	-	5,883.16

*Segment assets other than trade receivables and unbilled revenue, 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 interchangebly 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.

C) India Segment Revenue

Total segment revenue of Rest of the World includes revenue from external customers attributable to India amounting to ₹2,086.77 million (Previous year ₹2,163.09 million)

D) Major customer

Revenue from one customer, ₹2,764.46 million (Previous year ₹2,703.73 million), individually accounts for more than 10% of the Group's revenue.

33. Disclosure relating to entities considered in the 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	As % of consolidated profit or (loss)	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
A	**Parent Company:**								
	Birlasoft Limited (Erstwhile KPIT Technologies Limited)	69.11%	11,842.33	57.38%	1,676.34	22.32%	34.18	55.63%	1,710.52
	(A)		**11,842.33**		**1,676.34**		**34.18**		**1,710.52**
B	**Subsidiaries:**								
I	**Indian:**								
1	Impact Automotive Solutions Limited* (Subsidiary of KPIT Technologies Limited)	0.00%	-	-8.68%	(253.68)	0.00%	-	-8.25%	(253.68)
2	KPIT Technologies Limited* (Erstwhile KPIT Engineering Limited)	0.00%	-	-0.81%	(23.59)	0.00%	-	-0.77%	(23.59)
II	**Foreign subsidiaries:**								
1	Birlasoft Solutions Inc. (Erstwhile KPIT Infosystems Incorporated, USA)	24.09%	4,128.46	15.17%	443.16	-6.09%	(9.33)	14.11%	433.83
2	KPIT Technologies France SAS	1.24%	211.81	0.96%	28.01	-0.08%	(0.13)	0.91%	27.88
3	Birlasoft Computer Corporation, USA (Erstwhile SYSTIME Computer Corporation, USA)	5.50%	941.76	0.60%	17.48	-0.54%	(0.82)	0.54%	16.66
4	KPIT Infosystems ME FZE, Dubai	1.27%	216.92	-1.70%	(49.61)	-0.75%	(1.15)	-1.65%	(50.76)

33. Disclosure relating to entities considered in the consolidated financial statements (Contd)

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	As % of consolidated profit or (loss)	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
5	KPIT TECHNOLOGIES SOLUÇÕES EM INFORMÁTICA LTDA. (Subsidiary of Birlasoft Solutions Inc.)	0.01%	1.79	-0.34%	(9.97)	0.29%	0.45	-0.31%	(9.52)
6	Sparta Consulting Incorporation, USA (Subsidiary of Birlasoft Solutions Inc.)	3.63%	621.32	7.88%	230.22	-0.82%	(1.25)	7.45%	228.97
7	Birlasoft Technologies Canada Corporation (Subsidiary of Birlasoft Computer Corporation, USA)	4.09%	700.05	5.90%	172.31	-3.81%	(5.84)	5.41%	166.47
8	KPIT Solutions GmbH, Germany (Subsidiary of KPIT Infosystems Limited, UK)	0.13%	22.47	-1.17%	(34.11)	0.65%	1.00	-1.08%	(33.11)
9	KPIT Infosystems Limited, UK	0.44%	74.99	1.02%	29.93	-0.19%	(0.29)	0.96%	29.64
10	Birlasoft Inc. (w.e.f. 01 January 2019)	12.19%	2,089.53	1.81%	52.75	-0.40%	(0.62)	1.70%	52.13
11	Enable Path LLC (w.e.f. 01 January 2019)	-1.80%	(308.49)	-0.24%	(7.13)	0.20%	0.31	-0.22%	(6.82)
12	Birlasoft (UK) Limited (w.e.f. 01 January 2019)	1.15%	197.39	0.71%	20.62	-0.16%	(0.24)	0.66%	20.38
13	Birlasoft GmbH (w.e.f. 01 January 2019)	0.00%	(0.70)	-0.01%	(0.33)	0.01%	0.01	-0.01%	(0.32)
14	Birlasoft Sdn Bhd (w.e.f. 01 January 2019)	0.13%	21.57	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
15	KPIT Technologies (UK) Limited* (Subsidiary of KPIT Technologies Limited)	0.00%	-	8.25%	240.97	-14.23%	(21.80)	7.13%	219.17
16	KPIT (Shanghai) Software Technology Co. Limited, China*	0.00%	-	0.09%	2.57	0.75%	1.15	0.12%	3.72
17	KPIT Technologies Netherlands B.V*	0.00%	-	0.43%	12.50	-0.65%	(0.99)	0.37%	11.51
18	KPIT Technologies GmbH, Germany* (Subsidiary of KPIT Technologies (UK) Limited)	0.00%	-	16.85%	492.31	-1.66%	(2.54)	15.93%	489.77
19	MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil* (Subsidiary of KPIT Technologies Limited)	0.00%	-	0.09%	2.50	0.00%	-	0.08%	2.50
20	MicroFuzzy Industrie-Elektronic GmbH* (Subsidiary of KPIT Technologies GmbH, Germany)	0.00%	-	3.03%	88.58	-3.30%	(5.06)	2.72%	83.52
21	KPIT Technologies Holding Inc (US)* (Subsidiary of KPIT Technologies Limited)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
22	KPIT Infosystems Inc.(US)* (Subsidiary of KPIT Technologies Holding Inc (US))	0.00%	-	8.31%	242.79	-0.05%	(0.08)	7.89%	242.71

33. Disclosure relating to entities considered in the consolidated financial statements (Contd)

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	As % of consolidated profit or (loss)	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
23	KPIT Technologies PTE Limited* (Subsidiary of KPIT Technologies Limited)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
24	KPIT Technologies GK, Japan*	0.00%	-	3.60%	105.31	0.56%	0.85	3.45%	106.16
	(B)		**8,918.87**		**1,803.54**		**(46.37)**		**1,757.17**
C	**Joint Venture:**								
	Yantra Digital Services Private Limited	0.00%	-	-3.32%	(97.06)	0.00%	-	-3.16%	(97.06)
	(C)		**-**		**(97.06)**		**-**		**(97.06)**
D	**Non-Controlling Interest**	0.00%	-	0.92%	26.93	-0.28%	(0.43)	0.86%	26.50
E	**Consolidation adjustments including intercompany eliminations**	-21.18%	(3,625.75)	-16.73%	(488.11)	108.23%	165.77	-10.47%	(322.34)
F	**Total (A+B+C+D+E)**		**17,135.45**		**2,921.64**		**153.15**		**3,074.79**

*These entities were transferred to the Resulting Company on appointed date as a part of the Composite Scheme of arrangement. While preparing Consolidated Statement of Profit and Loss, the profit for the period of nine months ended on 31 December 2018, (till the date Demerged Company had control over these entities) is considered (Refer note 45).

34. Other equity

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.

ii) Capital redemption reserve

Represents the nominal amount of the preference share capital on redemption of 400,000, 0.01% cumulative redeemable preference shares.

iii) Amalgamation reserve

Represents the amount credited on account of cancellation of stock options issued pursuant to the scheme of amalgamation and acquisition.

iv) Securities premium reserve

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

v) Share based payment reserve

The Group has established various equity-settled share based payment plans for certain categories of employees of the Group. Refer note 43 for further details.

vi) General Reserve

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, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

35. Disclosures as per Ind AS 115 -Revenue from Contract with Customers

a. Disaggregation of revenue from contracts with customers

For disaggregation of the Group's revenue from contracts with customers, refer consolidated segment disclosure.

b. Trade receivables and Contract balances:

Particulars	31 March 2019
Trade Receivables	7,107.49
Contract asset (including unbilled revenue)	1,216.84
Unearned Revenue	446.16

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue for time and material contracts are recognized as related services are performed. Revenue for fixed price maintenance and support services contracts is recognized on a straight line basis over the period of the contract. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Revenue recognition for fixed price contracts is based on percentage of completion method. Invoicing to the clients is based on milestones as defined in the contract. This would result in the timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed price contracts is classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

Invoicing in excess of earnings are classified as unearned revenue.

Trade receivables are non-interest bearing and generally have a credit period of 60 days.

Changes in contract asset	31 March 2019
Balance at the beginning of the year	1,151.15
Less: Transfer on account of demerger	882.73
Transfer on account of merger	424.21
Revenue recognised net of invoices raised during the year	524.21
Balance at the end of the year	**1,216.84**

The unearned revenue primarily relate to the advance consideration received on contracts entered with customers for which no work is performed at the reporting date, and therefore revenue will be recognized when rights become unconditional.

Changes in unearned revenue	31 March 2019
Balance at the beginning of the year	850.10
Less: Transfer on account of demerger	413.84
Transfer on account of merger	159.88
Revenue recognised net of unearned revenue for the year	(149.98)
Balance at the end of the year	**446.16**

Revenue recognised in current year from:	31 March 2019
Amounts included in contract liability at the beginning of the period (net of transfer to resulting entity)	149.98
Performance obligations satisfied in previous periods	-

d. Performance Obligation

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially) satisfied performance obligations, along with the broad time band for the expected time to recognise those revenues, the Group has applied the practical expedient in Ind AS 115. Accordingly, the Group has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc).

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March 2019 are, as follows:

Particulars	31 March 2019
Within one year	1,343.57
More than one year	**165.90**

e. The Group has not incurred any costs to obtain or fulfil a contract during the year.

36. Details of employee benefits as required by Ind-AS 19 - "Employee benefits" are as under :

1. Defined contribution plan – Provident fund

Amount recognized as an expense in the Statement of Profit and Loss in respect of defined contribution plan is ₹304.18 million (₹105.86 million pertains to discontinued operations (Refer note 45)) (Previous Year ₹280.08 million) (₹115.35 million pertains to discontinued operations).

2. Defined benefit plan

i) Actuarial gains and losses in respect of defined benefit plans are recognized in Other Comprehensive Income.

ii) Defined benefit plan - unfunded

This defined benefit plan comprises gratuity, which is unfunded.

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 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.

(Amount in ₹ million)

Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows :

Particulars	31 March 2019	31 March 2018
Present value of defined benefit obligation at the beginning of the year	370.99	290.87
Current service cost	48.30	46.27
Interest cost	24.72	21.15
Past service cost	-	-
Liability transferred out/Divestments	(199.80)	(0.47)
Actuarial loss/(Gain) recognised in other comprehensive income		
a) changes in demographic assumptions	-	43.09
b) changes in financial assumptions	3.52	(11.11)
c) experience adjustments	27.32	11.34
Benefits paid	(39.54)	(30.15)
Present value of defined benefit obligation at the end of the year	**235.51**	**370.99**

Analysis of defined benefit obligation	31 March 2019	31 March 2018
Present value of obligation as at the end of the year	235.51	370.99
Net (asset)/liability recognized in the Balance Sheet	235.51	370.99

Components of employer expenses/remeasurement recognized in the Statement of Profit and Loss	31 March 2019	31 March 2018
Current service cost	48.30	46.27
Interest cost	24.72	21.15
Expenses recognized in the Statement of Profit and Loss	73.02	67.42

Components of employer expenses/remeasurement recognized in the Other Comprehensive Income (OCI)	31 March 2019	31 March 2018
Actuarial loss/(gain)	30.84	43.32
Net (income)/expense recognized in the OCI	30.84	43.32

Actuarial assumptions:	31 March 2019	31 March 2018
For Impact Automotive Solutions Limited		
Discount rate	NA	7.86%
Salary escalation	NA	5.00%
Attrition Rate		
- 4 years and below	NA	5.00%
- 5 years and above	NA	2.00%
For Birlasoft Limited (Erstwhile KPIT Technologies Limited)		
Discount rate	7.48%	7.68%
Salary escalation	5.00%	5.00%
Attrition Rate		
- 2 years and below	25.00%	25.00%
- 3 years to 4 years	20.00%	20.00%
- 5 years and above	7.50%	7.50%

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 (2006-08) Ultimate.

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	31 March 2019		31 March 2018	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (1 % movement)	(16.60)	19.05	(24.64)	28.34
Future salary growth (1 % movement)	19.35	(17.11)	28.82	(25.45)
Attrition rate (1 % movement)	2.78	(3.24)	4.51	(5.29)

Maturity profile of defined benefit plan

Projected benefits payable in future years from the date of reporting	31 March 2019	31 March 2018
Within 1 year	21.33	49.57
1-2 year	20.92	29.25
2-3 year	20.75	33.24
3-4 year	20.47	33.96
4-5 year	20.72	37.63
5-10 years	103.47	147.16
Thereafter	278.96	435.55

Weighted average assumptions used to determine net periodic benefit cost

Particulars	31 March 2019	31 March 2018
For Impact Automotive Solutions Limited		
Number of active members	NA	59
Per month salary cost for all active members (₹million)	NA	1.12
Weighted average duration of the projected benefit obligation (years)	NA	12.00
Average expected future service (years)	NA	18.00
Projected benefit obligation (PBO)	NA	2.09
For Birlasoft Limited (Erstwhile KPIT Technologies Limited)		
Number of active members	6,095	10,853
Per month salary cost for all active members (₹million)	125.24	201.24
Weighted average duration of the projected benefit obligation (years)	9.00	9.00
Average expected future service (years)	7.00	7.00
Projected benefit obligation (PBO)	235.51	368.90

iii) Defined benefit plan - Funded

This defined benefit plans pertained to Birlasoft (India) Limited. This is transferred from Transferor Company as a part of the Composite Scheme of arrangement. This comprises gratuity, which is fully funded.

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 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.

(Amount in ₹ million)

Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows :

Particulars	31 March 2019
Present value of defined benefit obligation at the beginning of the year	-
Addition on account of amalgamation of the transferor company	185.62
Current service cost	6.74
Interest cost	3.47
Past service cost	-
Liability transferred out/Divestments	-
Actuarial loss/(gain) recognised in other comprehensive income	-
a) changes in demographic assumptions	(3.96)
b) changes in financial assumptions	(10.18)
c) experience adjustments	(3.57)
Benefits paid	(4.13)
Present value of defined benefit obligation at the end of the year	173.99

Changes in the plan assets representing reconciliation of opening and closing balances thereof are as follows :

Particulars	31 March 2019
Fair value of plan assets at the beginning of the year	-
Addition on account of amalgamation of the transferor company	186.06
Actual return on plan assets	3.58
Fund Charges	(0.22)
Employer contribution	-
Benefits paid	(4.13)
Bank Balance in Gratuity Trust Bank account	0.92
Fair value of plan assets at the end of the year	186.21

Analysis of defined benefit obligation	31 March 2019
Present value of obligation as at the end of the year	173.99
Fair value of plan assets	186.21
Net (asset)/liability recognized in the Balance Sheet	(12.22)

Components of employer expenses/remeasurement recognized in the Statement of Profit and Loss	31 March 2019
Current service cost	6.74
Interest cost	3.47
Interest income on plan assets	3.58
Expenses recognized in the Statement of Profit and Loss	10.21

Components of employer expenses/remeasurement recognized in the Other Comprehensive Income (OCI)	31 March 2019
Actuarial loss/(gain)	(17.71)
Actuarial loss/(gain) for the year on assets	0.11
Net (income)/expense recognized in the OCI	(17.60)

(Amount in ₹ million)

Actuarial assumptions:	31 March 2019
Discount rate	7.18%
Salary escalation	5.00%
Attrition Rate	
- 2 years and below	25.00%
- 3 years to 4 years	20.00%
- 5 years and above	7.50%

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 (2006-08) Ultimate.

Major categories of plan assets (as percentage of total plan assets)

Particulars	31 March 2019
Funds managed by insurer	100%

Expected contribution for the next Annual reporting period.

Particulars	31 March 2019
Service cost	38.15
Net interest cost	(0.05)
Expected expense for the next annual reporting period	38.10

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 2019	
	Defined benefit obligation	
	Increase	Decrease
Discount rate (1 % movement)	(6.46)	6.90
Future salary growth (1 % movement)	6.74	(6.44)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these is not calculated.

(Amount in ₹ million)

Maturity profile of defined benefit plan

Projected benefits payable in future years from the date of reporting	31 March 2019
Within 1 year	12.96
1-2 year	2.66
2-3 year	2.93
3-4 year	2.85
4-5 year	2.85
5-6 year	4.56
Thereafter	145.18

Weighted average assumptions used to determine net periodic benefit cost

Particulars	31 March 2019
For Birlasoft Limited (Erstwhile KPIT Technologies Limited)	
Number of active members	2,526
Per month salary cost for all active members (₹million)	91.71
Weighted average duration of the projected benefit obligation (years)	3.79
Average expected future service (years)	27.26
Projected benefit obligation (PBO)	173.99

37. 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 2019 is ₹10.51 million (Previous year - ₹0.99 million). Estimated interest* due thereon is ₹0.53 million (Previous year - ₹Nil).

b. Amount of payments made to suppliers beyond the appointed date during the year is ₹25.29 million (Previous year - ₹5.34 million). Interest paid thereon is ₹Nil (Previous year - ₹Nil) and the estimated interest* due and payable thereon is ₹0.65 million (Previous year - ₹0.06 million).

c. The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 is) ₹Nil.

d. The amount of estimated interest accrued and remaining unpaid as at 31 March 2019 is ₹1.33 million (Previous year - ₹0.76 million).

e. The amount of further estimated interest due and payable for the period from 1 April 2019 to actual date of payment or 20 April 2019 (whichever is earlier) is ₹Nil.

*The interest is not accrued.

38. 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 2019	As at 31 March 2018
Direct subsidiaries				
1	KPIT Technologies (UK) Limited (upto 01 January 2019)	United Kingdom	N.A.	100
2	Birlasoft Solutions Inc. USA (erstwhile KPIT Infosystems Incorporated, USA)	United States of America	100	100
3	KPIT Technologies France SAS	France	100	100
4	KPIT (Shanghai) Software Technology Co. Limited, China (upto 01 January 2019)	China	N.A.	100
5	KPIT Technologies Netherlands B.V (upto 01 January 2019)	Netherlands	N.A.	100
6	Birlasoft Computer Corporation, USA (erstwhile SYSTIME Computer Corporation, USA)	United States of America	100	100
7	KPIT Infosystems ME FZE, Dubai	United Arab Emirates	100	100
8	Impact Automotive Solutions Limited (upto 01 January 2019)	India	N.A.	100
9	KPIT Technologies Limited (Erstwhile KPIT Engineering Limited) (upto 01 January 2019)	India	N.A.	100
10	KPIT Infosystems Limited (UK) (w.e.f. 18 April 2018)	United Kingdom	100	N.A.
11	Birlasoft Sdn Bhd (w.e.f. 01 January 2019)	Malasia	100	N.A.
12	Birlasoft Inc. (w.e.f. 01 January 2019)	United States of America	100	N.A.
13	KPIT Technologies GK , Japan (w.e.f. 02 April 2018 and upto 01 January 2019)	Japan	N.A.	N.A.
14	Birlasoft (Wuxi) Information Technologies Co. Ltd. (Under liquidation)	China	100	N.A.
Indirect subsidiaries				
15	KPIT Technologies GmbH, Germany (Subsidiary of KPIT Technologies (UK) Limited) (upto 01 January 2019)	Germany	N.A.	100
16	KPIT TECHNOLOGIES SOLUÇÕES EM INFORMÁTICA LTDA. (Subsidiary of Birlasoft Solutions Inc. , USA)	Brazil	100	100
17	Sparta Consulting Inc., USA (Subsidiary of Birlasoft Solutions Inc., USA)	United States of America	100	100
18	MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil (Subsidiary of KPIT Technologies Limited) (upto 01 January 2019)	Brazil	N.A.	100

Sr. No	Name of the subsidiary	Country of Incorporation	As at 31 March 2019	As at 31 March 2018
19	Birlasoft Technologies Canada Corporation (erstwhile KPIT Technologies Corporation) (Subsidiary of Birlasoft Computer Corporation, USA)	Canada	100	100
20	KPIT Solutions GmbH, Germany (Subsidiary of KPIT Technologies GmbH, Germany) (upto 23 November 2018)	Germany	N.A.	100
21	KPIT Solutions GmbH, Germany (Subsidiary of KPIT Infosystems Limited. (UK)) (w.e.f. 23 November 2018)	Germany	100	N.A.
22	MicroFuzzy Industrie-Elektronic GmbH (Subsidiary of KPIT Technologies GmbH, Germany) (upto 01 January 2019)	Germany	N.A.	75
23	KPIT Infosystems Mexico, S.A. DE (Subsidiary of Birlasoft Solutions Inc , USA)	Mexico	100	N.A.
24	Enable Path LLC (Subsidiary of Birlasoft Inc.) (w.e.f. 01 January 2019)	United States of America	100	N.A.
25	Birlasoft (UK) Limited (Subsidiary of Birlasoft Inc.) (w.e.f. 01 January 2019)	United Kingdom	100	N.A.
26	Birlasoft GmbH (Subsidiary of Birlasoft (UK) Limited) (w.e.f. 01 January 2019)	Germany	100	N.A.
27	KPIT Technologies PTE Limited (Subsdairy of KPIT Technologies Limited) (upto 01 January 2019)	Singapore	N.A.	N.A.
28	KPIT Technologies Inc (US) (Subsidairy of KPIT Technologies Holding Inc (US)) (upto 01 January 2019)	United States of America	N.A.	N.A.
29	KPIT Technologies Holding Inc (US) (Subsidairy of KPIT Technologies Limited) (upto 01 January 2019)	United States of America	N.A.	N.A.
Entities jointly controlled by a group having joint control over the reporting entities*				
30	KPIT Technologies (UK) Limited (w.e.f. 01 January 2019)	United Kingdom	N.A.	N.A.
31	KPIT (Shanghai) Software Technology Co. Limited, China (w.e.f. 01 January 2019)	China	N.A.	N.A.
32	KPIT Technologies Netherlands B.V (w.e.f. 01 January 2019)	Netherlands	N.A.	N.A.
33	Impact Automotive Solutions Limited (w.e.f. 01 January 2019)	India	N.A.	N.A.
34	KPIT Technologies Limited (Erstwhile KPIT Engineering Limited) (w.e.f. 01 January 2019)	India	N.A.	N.A.

Sr. No	Name of the subsidiary	Country of Incorporation	As at 31 March 2019	As at 31 March 2018
35	KPIT Technologies GmbH, Germany (w.e.f. 01 January 2019)	Germany	N.A.	N.A.
36	MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil (w.e.f. 01 January 2019)	Brazil	N.A.	N.A.
37	MicroFuzzy Industrie-Elektronic GmbH (w.e.f. 01 January 2019)	Germany	N.A.	N.A.
38	KPIT Technologies PTE Limited (w.e.f. 01 January 2019)	Singapore	N.A.	N.A.
39	KPIT Technologies GK , Japan (w.e.f. 01 January 2019)	Japan	N.A.	N.A.
40	KPIT Technologies Holding Inc, USA (w.e.f. 01 January 2019)	United States of America	N.A.	N.A.
41	KPIT Technologies Inc (US) (w.e.f. 01 January 2019)	United States of America	N.A.	N.A.
42	Yantra Digital Services Private Limited (Joint venture of Impact Automotive Solutions Limited w.e.f. 01 January 2019)	India	N.A.	N.A.
Associate				
43	Yantra Digital Services Private Limited (Associate of Impact Automotive Solutions Limited w.e.f. 05 October 2016 upto 31 January 2018)	India	N.A.	N.A.
Joint venture				
44	Yantra Digital Services Private Limited (Joint venture of Impact Automotive Solutions Limited upto 01 January 2019)	India	N.A.	N.A.
Enterprise having joint control over entity				
45	National Engineering Industries Limited (w.e.f. 15 January 2019)	India	N.A.	N.A.
46	Central India Industries Limited (w.e.f. 15 January 2019)	India	N.A.	N.A.
47	Proficient FinStock LLP (w.e.f. 15 January 2019)	India	N.A.	N.A.

* As a part of Composite Scheme, these entites were transferred to the Resulting Company on appointed date. As on 31 March 2019, these entities are related party due to Joint Control.

B. List of Key Management Personnel :

Key Management Personnel (KMP)	Mr. S.B.(Ravi) Pandit (upto 15 January 2019)	Executive Director
	Mr. Kishor Patil (upto 15 January 2019)	Executive Director
	Mr. Sachin Tikekar(upto 15 January 2019)	Executive Director
	Dr. Raghunath Anant Mashelkar (upto 23 August 2017)	Independent Director
	Lila Poonawalla (upto 15 January 2019)	Independent Director
	Prof. Alberto Sangiovanni Vincentelli (upto 15 January 2019)	Independent Director
	Mr. Sanjay Kukreja (upto 15 September 2017)	Non- executive Director
	Mr. Anant Talaulicar	Independent Director
	Mr. Adi Engineer (upto 15 January 2019)	Independent Director
	B V R Subbu (upto 15 January 2019)	Non- executive Director
	Mr. Anil Patwardhan (upto 23 May 2018)	Chief Financial Officer
	Mr Vinit Teredesai (appointed w.e.f. 24 May 2018 upto 15 January 2019)	Chief Financial Officer
	Dr. Klaus Blickle (w.e.f. 24 January 2018 upto 15 January 2019)	Non- executive Director
	Mr. Nikhil Jakatdar (w.e.f. 24 January 2018)	Independent Director
	Ms. Sneha Padve	Company Secretary
	Mrs. Amita Birla (w.e.f. 15 January 2019)	Chairperson and Non-Executive Director
	Mr. C. K. Birla (w.e.f. 15 January 2019)	Non-Executive Director
	Mr. Anjan Lahiri	1. Nominee Director (w.e.f. 23 May 2018 upto 15 January 2019)
		2. Managing Director & Chief Executive Officer w.e.f. January 16, 2019
	Mr. Pawan Sharma (w.e.f. 15 January ,2019)	Executive Director
	Mr. Rajeev Gupta (w.e.f 16 January ,2019)	Chief Financial Officer
	Ms. Alka Bharucha (w.e.f. 23 May 2018)	Independent Director
	Ms. Nandita Gurjar (w.e.f. 15 January 2019)	Independent Director
	Mr. Ashok Barat (w.e.f. 15 January 2019)	Independent Director
	Mr. Prasad Thrikutam (w.e.f. 15 January 2019)	Independent Director

C. List of other related parties with whom there are transactions

Relative of KMP	Mr. Chinmay Pandit (upto 15 January 2019)
	Ms. Jayada Pandit (upto 15 January 2019)
	Mr. Shreyas Patwardhan (upto 23 May 2018)
Enterprise over which KMP have significant influence	KP Corporate Solutions Ltd. (upto 15 January 2019)
	Proficient FinStock LLP (upto 15 January 2019)
	Kirtane & Pandit LLP (upto 15 January 2019)
Others	CK Birla Corporate Services Limited** (w.e.f. 15 January 2019)

D. Transactions with related parties

No.	Name of related party	31 March 2019		As at 31 March 2018	
		Amount of transactions during the year	Balance as on 31 March 2019 Debit/(Credit)	Amount of transactions during the year (₹)	Balance as on 31 March 2018 Debit/(Credit) (₹)
Transactions with entities jointly controlled by a group having joint control over the reporting entities					
1	**KPIT Technologies Limited (Erstwhile KPIT Engineering Limited)**				
	Advance given (net)	1,939.04	(1,542.97)	N.A.	N.A.
	Reimbursement of expenses (net)	414.90		N.A.	
	Sales	(0.25)	149.97	N.A.	N.A.
	Software service charges	209.56	(186.43)	N.A.	N.A.
	Loan granted	1,300.00	NIL	N.A.	NIL
	Loan Repaid	1,300.00		N.A.	
	Interest income	48.51		N.A.	
	Investment in equity of MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil transferred by Birlasoft Computer Corporation, USA	17.43	NIL	N.A.	N.A.
2	**KPIT Technologies (UK) Limited**				
	Advance given (net)	165.84	157.06	N.A.	N.A.
	Reimbursement of expenses (net)	(9.49)		N.A.	
	Sales	54.14	619.83	N.A.	N.A.
	Software service charges	12.27	(167.55)	N.A.	N.A.
	Transfer of IT Business to KPIT Infosystems Limited (UK)	185.94	NIL	N.A.	N.A.
3	**KPIT Technologies (UK) Limited (Sweden Branch)**				
	Advance given (net)	25.03	93.51	N.A.	N.A.
	Reimbursement of expenses (net)	(3.53)		N.A.	
	Sales	3.42	24.16	N.A.	N.A.
	Software service charges	2.45	(32.90)	N.A.	N.A.
4	**KPIT Technologies (UK) Limited (Italy Branch)**				
	Sales	NIL	4.42	N.A.	N.A.
5	**KPIT Technologies Inc.**				
	Advance given (net)	(1,377.02)	(1,363.05)	N.A.	N.A.
	Reimbursement of expenses (net)	95.98		N.A.	
	Sales	88.80	1,644.38	N.A.	N.A.
	Software service charges	NIL	(234.32)	N.A.	N.A.
6	**KPIT Technologies GK , Japan**				
	Advance given (net)	(2.17)	(2.17)	N.A.	N.A.
	Sales	12.05	42.81	N.A.	N.A.
	Software service charges	11.08	(12.68)	N.A.	N.A.

No.	Name of related party	31 March 2019		As at 31 March 2018	
		Amount of transactions during the year	Balance as on 31 March 2019 Debit/(Credit)	Amount of transactions during the year (₹)	Balance as on 31 March 2018 Debit/(Credit) (₹)
7	**KPIT Technologies GmbH, Germany**				
	Advance given (net)	NIL	(0.74)		
	Sales	88.45	606.67	N.A.	N.A.
	Software service charges	NIL	(64.57)	N.A.	N.A.
	Investment in equity of KPIT Solutions GmbH, Germany transferred to KPIT Infosystems Limited (UK)	718.02	NIL	N.A.	N.A.
8	**KPIT Technologies Netherlands B.V**				
	Advance given (net)	NIL	(0.07)		
	Sales	25.90	45.85	N.A.	N.A.
	Software service charges	10.70	(20.64)	N.A.	N.A.
9	**KPIT (Shanghai) Software Technology Co. Limited, China**				
	Sales	0.26	120.01	N.A.	N.A.
	Software service charges	4.18	(14.20)	N.A.	N.A.
10	**KPIT Technologies PTE Limited**				
	Sales	1.28	1.35	N.A.	N.A.
11	**MicroFuzzy Industrie-Elektronic GmbH**				
	Sales	NIL	51.59	N.A.	N.A.
	Software service charges	NIL	(11.56)	N.A.	N.A.
12	**KPIT Technologies Holding Inc**				
	Investment in equity of MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil transferred by Birlasoft Technologies Canada Corporation	865.42	NIL	N.A.	N.A.
	Investment in equity of KPIT Technologies Inc. transferred by Birlasoft Solutions Inc., USA	0.02	NIL	N.A.	N.A.
Transactions with KMP					
1	**Mr. S. B. (Ravi) Pandit**				
	Short term employee benefits	42.37	NIL	37.07	NIL
	Post employment benefit plans	1.09	NIL	1.79	NIL
	Reimbursement of expenses (net)	0.32	NIL	0.23	(0.04)
2	**Mr. Kishor Patil**				
	Short term employee benefits	36.97	NIL	29.63	NIL
	Post employment benefit plans	0.87	NIL	0.85	NIL
	Reimbursement of expenses (net)	0.55	NIL	0.31	(0.37)
	Perquisite value	0.34	NIL	0.59	NIL
	Repayment of loan granted	4.52	NIL	5.63	17.89
	Interest received	0.93	NIL	1.63	NIL

No.	Name of related party	31 March 2019		As at 31 March 2018	
		Amount of transactions during the year	Balance as on 31 March 2019 Debit/(Credit)	Amount of transactions during the year (₹)	Balance as on 31 March 2018 Debit/(Credit) (₹)
3	**Mr. Sachin Tikekar**				
	Short term employee benefits	33.62	NIL	29.25	NIL
	Post employment benefit plans	0.31	NIL	0.40	NIL
	Reimbursement of expenses (net)	0.24	NIL	0.49	NIL
4	**Mr. Anil Patwardhan**				
	Short term employee benefits	3.54	NIL	7.87	NIL
	Post employment benefit plans	1.64	NIL	0.21	NIL
	Reimbursement of expenses (net)	NIL	NIL	0.03	NIL
5	**Mrs. Sneha Padve**				
	Short term employee benefits	4.93	NIL	4.00	NIL
	Reimbursement of expenses (net)	0.11	NIL	0.03	NIL
	Post employment benefit plans	0.14	(0.09)	0.13	NIL
6	**Dr. Raghunath Anant Mashelkar**				
	Commission paid	0.85	NIL	1.85	NIL
	Sitting fees	NIL		NIL	
7	**Mrs. Lila Poonawalla**				
	Commission paid	2.52	NIL	2.23	NIL
	Sitting fees	0.23		0.35	
8	**Prof. Alberto Sangiovanni Vincentelli**				
	Commission paid	2.93	NIL	2.60	NIL
	Sitting fees	0.05		0.06	
9	**Anant Talaulicar**				
	Commission paid	0.85	NIL	NIL	NIL
	Sitting fees	0.41		0.07	
10	**Adi Engineer**				
	Commission paid	2.38	NIL	2.16	NIL
	Sitting fees	0.25		0.33	
11	**B V R Subbu**				
	Commission paid	2.00	NIL	1.61	NIL
	Sitting fees	0.09		0.09	
12	**Dr. Klaus Blickle**				
	Commission paid	1.45	NIL		
	Sitting fees	NIL		0.02	NA
13	**Alka Bharucha**				
	Sitting Fees	0.32	NIL	NA	NA
14	**Amita Birla**				
	Sitting Fees	0.30	NIL	NA	NA

No.	Name of related party	31 March 2019		As at 31 March 2018	
		Amount of transactions during the year	Balance as on 31 March 2019 Debit/(Credit)	Amount of transactions during the year (₹)	Balance as on 31 March 2018 Debit/(Credit) (₹)
15	**Anjan Lahiri**				
	Short term employee benefits	24.01	(2.05)	NA	NA
	Post employment benefit plans	0.25	NIL	NA	NA
	Sitting Fees	0.03	NIL	NA	NA
16	**Ashok Barat**				
	Sitting Fees	0.30	NIL	NA	NA
17	**Chandrakant Birla**				
	Sitting Fees	0.20	NIL	NA	NA
18	**Nandita Gurjar**				
	Sitting Fees	0.40	NIL	NA	NA
19	**Nikhil Jakatdar**				
	Commission paid	0.25	NIL	NA	NA
	Sitting Fees	0.05	NIL	NA	NA
20	**Pawan Sharma**				
	Short term employee benefits	7.83	NIL	NA	NA
	Post employment benefit plans	0.14	NIL	NA	NA
	Reimbursement of expenses (net)	0.00	NIL	NA	NA
21	**Prasad Thrikutam**				
	Sitting Fees	0.10	NIL	NA	NA
22	**Vinit Teredesai**				
	Short term employee benefits	6.34	(0.02)	NA	NA
	Post employment benefit plans	0.16	NIL	NA	NA
	Reimbursement of expenses (net)	0.13	NIL	NA	NA
23	**Rajeev Gupta**				
	Short term employee benefits	4.10	(1.28)	NA	NA
	Post employment benefit plans	0.15	NIL	NA	NA
Transactions with relative of KMP					
1	**Mr. Chinmay Pandit**				
	Short term employee benefits	3.73	NIL	4.18	NIL
	Post employment benefit plans	0.09	NIL	0.11	NIL
	Reimbursement of expenses (net)	0.53	NIL	0.54	(0.13)
2	**Mrs. Jayada Pandit**				
	Short term employee benefits	1.50	NIL	1.82	NIL
	Post employment benefit plans	0.04	NIL	0.06	NIL
3	**Mr. Shreyas Patwardhan**				
	Short term employee benefits	0.12	NIL	0.81	NIL
	Post employment benefit plans	0.00	NIL	0.10	(0.01)
	Reimbursement of expenses (net)	NIL	NIL	0.02	NIL

No.	Name of related party	31 March 2019		As at 31 March 2018	
		Amount of transactions during the year	Balance as on 31 March 2019 Debit/(Credit)	Amount of transactions during the year (₹)	Balance as on 31 March 2018 Debit/(Credit) (₹)
Transactions with enterprise over which KMP have significant influence					
1	**Kirtane & Pandit LLP**				
	Professional fees	0.46	NIL	3.27	(0.10)
2	KP Corporate Solutions Limited				
	Professional fees	1.20	NIL	1.45	(0.15)
Enterprise having significant influence					
1	National Engineering Industries Limited				
	Rent	0.89	NIL	N.A.	N.A.
Others					
1	**CK Birla Corporate Services Limited**				
	Corporate assistance and IPR fees	9.27	NIL	N.A.	N.A.
Transactions with associate/joint venture					
1	**Yantra Digital Services Private Limited**				
	Investment in equity shares	NIL	NIL	169.55	97.07
	Sale of services	NIL		5.22	
	Sale of component	5.49		220.78	
	Reimbursement of data link charges	NIL	NIL	16.90	176.98
	License fees	NIL		120.00	
	Reimbursement of expenses (net)	NIL		3.55	
	Loan given	150.00	NIL	NIL	NIL
	Interest income on loan given	6.11	NIL	NIL	NIL

Note : Remuneration excludes provision for employee benefits as separate actuarial valuation for the directors, key management personnel and their relatives is not available.

** As the company and CK Birla Corporate Services Limited use the same 'CK Birla' brand and are disclosed as being part of the same 'Group' on the website operated by CK Birla Corporate Services Limited, from a good governance perspective the transaction is being reported as a 'related party transaction' under the applicable accounting standards.

39. Lease transactions

1) Finance leases

The Group has taken vehicles and plant and equipment under finance lease for a period ranging from 3 to 5 years. Upon payment of all sums due towards the agreement, the Group has the option of acquiring the assets. During the lease period, the Group can neither sell, assign, sublet, pledge, mortgage, charge, encumber or part with possession of the assets, nor create or allow to create any lien on the assets taken on lease.

The Group has also taken land under finance lease and the lease rental of which has been paid in its entirety at the commencement of the lease period.

Reconciliation between future minimum lease payments and their present values under finance lease as at year end is as follows.

Particulars	31 March 2019	31 March 2018
Future minimum lease payments		
- Not later than one year	NIL	0.98
- Later than one year and not later than five years	NIL	NIL
- Later than five years	NIL	NIL
Total minimum lease payments	NIL	0.98
Amount representing future Interest	NIL	0.04
Present value of minimum lease payments	NIL	0.94
- Not later than one year	NIL	0.94
- Later than one year and not later than five years	NIL	NIL
- Later than five years	NIL	NIL

Net carrying amount of assets held under finance lease as on 31 March 2019 is ₹54.33 million (31 March 2018 ₹451.19 million).

2) Operating leases

Obligations towards non-cancellable operating leases:-

The Group has taken facilities and office premises on lease. The future lease payments for these facilities are as under:

Particulars	31 March 2019	31 March 2018
Minimum lease payments		
- Not later than one year	392.20	453.12
- Later than one year and not later than five years	1,186.59	1,282.01
- Later than five years	353.97	1,104.60
Total minimum lease payments	**1,932.76**	**2,839.73**

Rental expenses of ₹545.44 million (₹280.69 million pertains to discontinued operations) (Previous year ₹526.24 million (₹345.35 million pertains to discontinued operations)) in respect of obligation under operating leases have been recognized in the Statement of Profit and Loss.

Most of the operating lease arrangements are renewable on a periodic basis. Some of these lease agreements have price escalation clauses.

40. Basic and diluted earnings per share

Particulars		31 March 2019	31 March 2018
Nominal value per equity share	₹	2.00	2.00
Profit for the year from continuing operations	₹ (million)	2,353.85	1,911.91
Profit for the year from discontinued operations	₹ (million)	540.86	616.63
Weighted average number of equity shares	No. of shares	213,988,814	192,578,364
Earnings per share - Basic			
From continuing operations	₹	11.00	9.93
From discontinued operations	₹	2.53	3.20
From continuing and discontinued operations	₹	13.53	13.13
Effect of dilutive potential equity shares-			
Employee stock options (including shares held by Employee Welfare Trust)	No. of shares	2,405,368	6,600,204
Weighted average number of diluted equity shares	No. of shares	216,397,083	199,178,568
Earnings per share - Diluted			
From continuing operations	₹	10.88	9.60
From discontinued operations	₹	2.50	3.09
From continuing and discontinued operations	₹	13.38	12.69

41. The Company has received renewal recognition from Department of Scientific and Industrial Research, Ministry of Science and Technology (DSIR) on 23 April 2018 for its Research and Development (R&D) facility at its premises in Hinjewadi which is effective from 1 April 2018 to 31 March 2021.

As a part of Composite Scheme, effective 1st January 2019, this R & D unit has been transferred to KPIT Technologies Limited (erstwhile KPIT Engineering Limited).

Research and development expenditure debited to the Statement of Profit and Loss from 1 April 2018 to 31 December 2018 aggregating to ₹192.96 million (Previous year ₹199.11 million) has been incurred by the Group and disclosed under appropriate account heads. Out of total R & D expenditure incurred during the year ₹129.23 million (Previous year ₹141.94 million) is towards eligible R & D expenditure under section 35 (2AB). Also refer note 44.

The capital expenditure incurred on the R & D facility for the period 1 April 2018 to 31 December 2018 is as follows, which is disclosed in respective fixed assets blocks:

Particulars	31 March 2019	31 March 2018
Building	NIL	NIL
Computers	2.59	9.65
Plant and Machinery	NIL	NIL
Office Equipments	23.09	0.24
Furniture and Fixtures	NIL	NIL

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

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 2019	31 March 2018
Carrying amount as at the beginning of the year	13.97	12.38
Additional provision made during the year	3.12	4.12
Unused amount reversed during the year	1.18	3.38
Transferred on account of demerger	12.20	-
Exchange difference	(0.47)	0.85
Carrying amount at the end of the year	3.24	13.97

The warranty provision is expected to be utilized over a period of 1 year.

2. Contingent liabilities

A. Taxes and guarantees

Sr. No.	Particulars	31 March 2019	31 March 2018
1	Outstanding bank guarantees in routine course of business	182.05	180.17
2	Corporate guarantee provided by the Company for loan availed by Yantra Digital Services Private Limited, India	-	149.16
3	Income tax matters (refer note (ii) below)	673.32	0.59
4	VAT matters	11.71	18.57
5	Service Tax matters (excluding interest and penalty) (Refer note (i) below)	727.82	311.16
6	Other matters (Refer note (iii) below)	26.75	-

Note:

(i) Service tax matters

1. a. The Company has received a show cause cum demand notice from Commissioner of Central Excise & Service Tax, Pune I for the period July 2012 to March 2015 demanding service tax relating to:

- ₹169.34 million (Previous year ₹169.34 million) towards Service Tax on the amount received by branches from overseas clients on behalf of the Company, under the head 'Business Auxiliary Services'.

- ₹46.56 million (Previous year ₹46.56 million) towards the amount of expenditure made in foreign currency in respect of category II and III services.

b. The Company has received a show cause notice from Commissioner of Central Excise & Service Tax, Pune I for the period April 2010 to June 2012 demanding service tax relating to:

- ₹4.79 million (Previous year ₹4.79 million) towards the amount of expenditure against reimbursement of expenses.

c. The Company has received an order from Commissioner of Central Tax, Belapur, Mumbai for the period October 2006 to March 2012 confirming the demand for service tax relating to:

- ₹8.88 million (Previous year ₹90.47 million) towards the correctness of the service tax credit availed and correctness of discharge of service tax liability.

The Company has filed an Appeal in the Income Tax Appellate Tribunal, Mumbai for all the above matters

2 Department has filed an appeal against the Company in the following cases:

- ₹469.65 million (Previous year NIL) towards Service Tax on the amount received by branches from overseas clients on behalf of the Company for the period October 2006 to March 2014, under the head 'Business Auxiliary Services' and expenditure made in foreign currency in respect of category II and III services with the Hon'ble Supreme Court of India

- ₹28.60 million (Previous year NIL) towards Service Tax refund granted for the period April 2006 to March 2008 with the Hon'ble Bombay High Court

(ii) Income tax matters

The Income tax matter pertain to the transferee company acquired pursuant to the composite scheme.

"The Income Tax Department has filed appeals for AY 2004-05, AY 2006-07, AY 2008-09, AY 2009-10, AY 2010-11 with Hon'ble Delhi High Court contesting a) the set off of losses of STP unit against Non STP unit b) deduction claimed by the Company u/s 10A and c) the Arm's Length Price of the transactions entered with the related parties. These appeals are filed against the favourable orders received by the Company from Income Tax Appellate Tribunal, Delhi. The disputed tax amount is ₹602.18 million

The Company has filed the appeal with Commissioner of Income Tax, Appeals, Delhi for the adjustment u/s 10A of the Income Tax Act for AY 2011-12 by the Assessing Officer. This adjustment was made contrary to the favourable order received from the Income Tax Appellate Tribunal, Delhi while passing appeal effect order. The disputed tax amount is ₹59.41 million

- The Company is in the process of getting the Appeal Effect Order with respect to the favourable order received from Income Tax Appellate Tribunal for AY 2012-13 and AY 2013-14 amounting to ₹6.76 million.

- The Company has filed an appeal with Commissioner of Income Tax Appeals, Delhi for AY 2014-15 for disallowance of rent equalization reserve. The disputed tax amount is ₹4.97 million.

(iii) Other matters

1 These matters pertain to the transferee company acquired pursuant to the composite scheme.

a. ₹6.20 million towards the Order passed by Collector (Stamps) for deficiency in payment of stamp duty alongwith penalty in respect of the Company's leased office (earstwhile) at H-9, Sector 63 , Noida. The Company has filed writ petition in the Hon'ble High Court, Allhabad , for for quashing of the order of the Collector & CCRA, listing of which is awaited.

b. ₹19.47 million towards the order passed by District Revenue Collector imposing stamp duty ₹12.98 million & penalty of ₹6.49 million for the Company's leased office (earstwhile) at D-195 , Sector 63 , Noida. The matter has been remanded back by Supreme court to Hon'ble Allahabad High Court for hearing it afresh.

c. ₹1.08 million towards the demand notice issued by Tamilandu Electricity Board on account of short levy due to tariff difference. The Company has filed a writ petition in the Hon'ble High Court at Chennai, which has stayed the recovery proceedings.

d. The various lawsuit involves various claims brought by Copart, Inc. against Sparta Consulting, Inc., Birlasoft Solutions Inc (erstwhile KPIT Infosystems, Inc.) and Birlasoft Limited (Erstwhile KPIT Technologies Limited.), and Sparta Consulting, Inc.'s claims against Copart, Inc. California jury delivered a verdict on May 22, 2018 which awarded damages to both Sparta and Copart with respect to their respective claims. The net result was an amount owing to Copart, Inc. approximately USD 16 million. Even before the jury issued its verdict, the court has previously ruled that any direct claims against Birlasoft Limited (Erstwhile KPIT Technologies Limited) should be dismissed as a matter of law. Sparta Consulting, Inc. and Birlasoft Solutions Inc (erstwhile KPIT Infosystems, Inc.) raised all possible challenges to the verdict. Post verdict, court ruled on certain challenges, reducing the net effect of judgment to USD 8 million owing to Copart, Inc. with additional issues remaining before the court, which will be decided prior to the court entering order on verdict. Sparta Consulting, Inc. and Birlasoft Solutions Inc (erstwhile KPIT Infosystems, Inc.) continue to vigorously deny any and all wrongdoing, and will continue to explore all possible challenges to the verdict per legal advice.

In accordance with the Composite scheme of arrangement for the merger and demerger, where engineering business of Birlasoft Limited (erstwhile KPIT Technologies Limited) has demerged into KPIT Technologies Limited (Erstwhile KPIT Engineering Limited) legal liability/ recourse/ proceedings, expenditure related to the legal proceedings and monetary benefits and reliefs, if any, relating to above will be of KPIT Technologies Limited (erstwhile KPIT Engineering Limited) or/ and its subsidiaries.

2 There are numerous interpretative issues relating to the Supreme Court (SC) judgment dated 28 February 2019, relating to components/allowances paid that need to be taken into account while computing an employer's contribution of provident fund under the Employees' Provident Funds and Miscellaneous Provident Act, 1952. The Company has obtained a legal opinion on the matter and basis the same has assessed that there is no material impact on the financial statements for the year ended 31 March 2019. The Company would record any further effect on its financial statements, on receiving additional clarity from the authorities on the subject.

3 As per Ind AS 37 , the Group has made provision for future lease restoration expense of ₹3.11 million (Previous year Nil) in respect leased premises in Noida .The same is expected to be utilized at the end of the lease period in 2026.

Sr. No.	Particulars	31 March 2019
1	Carrying amount as at 01 January 2019	3.11
2	Additional provision made during the year	-
3	Amount paid/utilized during the year	-
4	Carrying amount as at end of the year	3.11

4 Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for:

a. Property, plant and equipment - ₹8.23 million (Previous Year ₹173 million)

b. Intangibles -NIL (Previous Year ₹8.94 million)

43. Share based payments

1 Employee Stock Option Plan– 2004

The Board of Directors and the shareholders of the Group approved the Employees Stock Option Plan at their meeting in August 2001 and in September 2001, respectively. Pursuant to this approval, the Group instituted ESOP 2004, Plan in July, 2004. The compensation committee of the Group administers this Plan. Each option carries with it the right to purchase one equity share of the Group. The Options have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the fair market value. The vesting of the options is 33%, 33% and 34% of total options granted after end of first, second and third year respectively from the date of grant. 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	31 March 2019		As at 31 March 2018	
	No. of shares	Weighted average exercise price	No. of shares	Weighted average exercise price
Options outstanding at the beginning of the year	153,938	70.60	247,020	70.60
Granted during the year	-	-	-	-
Forfeited/surrendered during the year		70.60	12,214	70.60
Exercised during the year	113,430	70.60	72,026	70.60
Lapsed during the year	40,508	70.60	8,842	70.60
Options outstanding at the end of year	-	-	153,938	70.60
Options exercisable at the end of the year	-	-	153,938	70.60

The weighted average share price of the options exercised under Employees Stock Option Scheme -2004 on the date of exercise during the year was ₹ 275.28 (Previous year ₹178.93)

The weighted average remaining contractual life are as follows:

Range of Excercise Price	31 March 2019		As at 31 March 2018	
	Weighted average contractual life (years)	No. of Options Outstanding	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	NIL	NIL	NIL	NIL
₹ 50 to ₹100	NIL	NIL	0.32	153,938
₹ 100 to ₹ 150	NIL	NIL	NIL	NIL
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model. There has been no grant of options under the plan for the year ended 31 March 2019 and 31 March 2018.

The Group recorded an employee compensation cost of ₹Nil (Previous year ₹Nil) in the Statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

2 Employee Stock Option Plan – 2006

The Board of Directors and the shareholders of the Group approved another Employees Stock Option Plan at their meeting in July 2006 and in August 2006, respectively. Pursuant to this approval, the Group instituted ESOP 2006, Plan in October, 2006. The compensation committee of the Group administers this Plan. Each option carries with it the right to purchase one equity share of the Group. The Options have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the fair market value. The vesting of the options is 30%, 30% and 40% of total options granted after end of first, second and third year respectively from the date of grant. 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	31 March 2019		As at 31 March 2018	
	No. of shares	Weighted average exercise price	No. of shares	Weighted average exercise price
Options outstanding at the beginning of the year	3,102,423	95.53	4,685,172	92.48
Granted during the year	-	-	-	-
Forfeited/surrendered during the year	73,935	95.91	250,642	102.18
Exercised during the year	1,729,938	93.98	1,205,677	84.43
Lapsed during the year	68,900	88.95	126,430	75.03
Options outstanding at the end of year	1,229,650	55.54	3,102,423	95.53
Options exercisable at the end of the year	1,229,650	55.54	2,225,423	92.27

The weighted average share price of the options exercised under Employees Stock Option Scheme -2006 on the date of exercise during the year was ₹244.32 (Previous year ₹168.65).

The weighted average remaining contractual life are as follows:

Range of Excercise Price	31 March 2019		As at 31 March 2018	
	Weighted average contractual life (years)	No. of Options Outstanding	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	0.55	273,800	NIL	42,903
₹ 50 to ₹100	3.55	955,850	1.22	1,138,740
₹ 100 to ₹ 150	NIL	NIL	4.49	1,920,780
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

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	31 March 2019	31 March 2018
1. Exercise price (₹)	NIL	NIL
2. Price of the underlying share in market at the time of the option grant (₹)	NIL	NIL
3. Weighted average fair value of options granted (₹)	NIL	NIL
4. Expected life of the option (years)	NIL	NIL
5. Risk free interest rate (%)	NIL	NIL
6. Expected volatility (%)	NIL	NIL
7. Dividend yield (%)	NIL	NIL

The Group recorded an employee compensation cost of ₹ 5.61 million (₹3.27 million pertains to discontinued operations) (Previous year ₹16.81 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.

3 Employee Stock Option Plan – 2014

The Board of Directors and the shareholders of the Group approved another Employees Stock Option Plan at their meeting in February 2014 and in April 2014, respectively. Pursuant to this approval, the Group instituted ESOP 2014 Plan in April 2014. The compensation committee of the Group administers this Plan. Each option carries with it the right to purchase one equity share of the Group. The Options have been granted to employees of the Company and its subsidiaries at an exercise price of ₹2 per option. The vesting of the options is 30%, 30% and 40% of total options granted after end of first, second and third year respectively from the date of grant. 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	31 March 2019		As at 31 March 2018	
	No. of shares	Weighted average exercise price	No. of shares	Weighted average exercise price
Options outstanding at the beginning of the year	135,000	2.00	150,000	2.00
Granted during the year	-	-	-	-
Forfeited/surrendered during the year	-	-	-	-
Exercised during the year	105,000	2.00	15,000	2.00
Options outstanding at the end of year	30,000	2.00	135,000	2.00
Options exercisable at the end of the year	30,000	2.00	111,000	2.00

The weighted average share price of the options exercised under Employees Stock Option Scheme -2014 on the date of exercise during the year was ₹ 270.85 (Previous year ₹121.85)

The weighted average remaining contractual life are as follows

Range of Excercise Price	31 March 2019		As at 31 March 2018	
	Weighted average contractual life (years)	No. of Options Outstanding	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	4.07	30,000	3.91	135,000
₹ 50 to ₹100	NIL	NIL	NIL	NIL
₹ 100 to ₹ 150	NIL	NIL	NIL	NIL
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

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	31 March 2019	31 March 2018
1. Exercise price (₹)	NIL	NIL
2. Price of the underlying share in market at the time of the option grant (₹)	NIL	NIL
3. Weighted average fair value of options granted (₹)	NIL	NIL
4. Expected life of the option (years)	NIL	NIL
5. Risk free interest rate (%)	NIL	NIL
6. Expected volatility (%)	NIL	NIL
7. Dividend yield (%)	NIL	NIL

The Group recorded an employee compensation cost of ₹1.12 million (₹1.28 million pertains to discontinued operations) (Previous year ₹3.15 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.

4 Employee Stock Option Plan – 2015

The Board of Directors and the shareholders of the Group approved another Employee Stock Option Plan at their meeting in April 2015 and August, 2015, respectively. Pursuant to this approval, the Group instituted ESOP 2015 Plan in August 2015. The compensation committee of the Group administers this Plan. Each option carries with it the right to purchase one equity share of the Group. The Options have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the fair market value. The vesting of the options is 30%, 30% and 40% of total options granted after end of first, second and third year respectively from the date of grant. 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	31 March 2019		As at 31 March 2018	
	No. of shares	Weighted average exercise price	No. of shares	Weighted average exercise price
Options outstanding at the beginning of the year	989,050	106.76	965,150	103.70
Granted during the year	-	-	110,000	131.20
Forfeited/surrendered during the year	46,300	115.58	58,150	103.70
Exercised during the year	394,950	105.44	27,950	103.70
Lapsed during the year	-	-	-	-
Options outstanding at the end of year	547,800	60.58	989,050	106.76
Options exercisable at the end of the year	492,800	59.07	516,250	103.70

The weighted average share price of the options exercised under Employees Stock Option Scheme -2015 on the date of exercise during the year was ₹232.55 (Previous year ₹212.50).

The weighted average remaining contractual life are as follows:

Range of Excercise Price	31 March 2019		As at 31 March 2018	
	Weighted average contractual life (years)	No. of Options Outstanding	Weighted average contractual life (years)	No. of Options Outstanding
₹ 0 to ₹ 50	NIL	NIL	NIL	NIL
₹ 50 to ₹100	3.82	547,800.00	NIL	NIL
₹ 100 to ₹ 150	NIL	NIL	4.71	989,050
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

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	31 March 2019	31 March 2018
1. Exercise price (₹)	NIL	131.20
2. Price of the underlying share in market at the time of the option grant (₹)	NIL	131.20
3. Weighted average fair value of options granted (₹)	NIL	48.98
4. Expected life of the option (years)	NIL	3.76
5. Risk free interest rate (%)	NIL	6.71%
6. Expected volatility (%)	NIL	41.22%
7. Dividend yield (%)	NIL	0.84%

The Group recorded an employee compensation cost of ₹3.82 million (Previous year ₹9.26 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.

5 Employee Stock Option Plan – 2019

The Board of Directors and the shareholders of the Company approved another Employee Stock Option Plan at their meeting in February 2019. Pursuant to this approval, the Company instituted ESOP 2019 Plan in February 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 have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the face value of shares as on date of grant of such option. Option Granted under ESOP 2019 shall vest not earlier than minimum period of 1 (One) year and not later than maximum period of 3 (Three) years from the date of Grant. The vesting of the options is 30%, 30% and 40% of total options granted after end of first, second and third year respectively from the date of grant. The maximum exercise period is 4 years from the date of vesting.

ESOP 2019 replaces ESOP Stock Options Plan -2015 (Plan) issued by Birlasoft (India) Limited (Transferor company) which stands cancelled pursuant to the scheme of amalgamation. Accordingly, ₹255.76 million was transferred to from ESOP reserve to retained earning as on 1 January 2019 on account of the same.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	31 March 2019		As at 31 March 2018	
	No. of shares	Weighted average exercise price	No. of shares	Weighted average exercise price
Options outstanding at the beginning of the year	-	-	-	-
Granted during the year	4,769,246	3.10	-	-
Forfeited / surrendered during the year	16,108	3.10	-	-
Exercised during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Options outstanding at the end of year	4,753,138	3.10	-	-
Options exercisable at the end of the year	1,425,921	3.10	-	-

The weighted average share price of the options exercised under Employees Stock Option Scheme -2019 on the date of exercise during the year was ₹NIL.

The weighted average remaining contractual life are as follows:

Range of Excercise Price	31 March 2019		As at 31 March 2018	
	Weighted average	No. of Options	Weighted average	No. of Options
₹ 0 to ₹ 50	5.06	4,753,138.00	NIL	NIL
₹ 50 to ₹100	NIL	NIL	NIL	NIL
₹ 100 to ₹ 150	NIL	NIL	NIL	NIL
₹ 150 to ₹ 200	NIL	NIL	NIL	NIL

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	31 March 2019	31 March 2018
1. Exercise price (₹)	3.10	-
2. Price of the underlying share in market at the time of the option grant (₹)	101.35	-
3. Weighted average fair value of options granted (₹)	91.54	-
4. Expected life of the option (years)	3.17	-
5. Risk free interest rate (%)	6.93%	-
6. Expected volatility (%)	48.29%	-
7. Dividend yield (%)	2.37%	-

The Group recorded an employee compensation cost of ₹29.33 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.

Corporate Action Note

In terms of Clause 7.6.1 of the Composite Scheme of Arrangement, the stock options granted by the Tranferor Company under the relevant Existing Stock Option Schemes would be cancelled and new options would be granted to employees under the Merged Company, the said employees shall be issued options in the ratio of 1:1 for every outstanding stock options held by them in the Transferor Company.

Further, as per clause 18.5.2 of the Composite Scheme of Arrangement , employees of demerged entity (Other than employees mentioned above) would receive one option in resulting company - KPIT Technologies Limited (erstwhile known as KPIT Engineering Limited) for one option outstanding in the demerged entity - KPIT Technologies Limited.

Further, as per the aforesaid clause, the existing exercise price of the stock options of the Company shall stand suitably adjusted in the same manner of share exchange ratio.The weighted average excersie price for options outsatnding at the end of the year and options excersiable at the end of the year has been suitably adjusted accordingly.

44. Income taxes

The income tax expense consists of following:

	Particulars	31 March 2019	31 March 2018
Tax expense			
1	Current tax -continuing operations		
	Tax on the profit from continuing operations	746.68	293.38
	Total current tax expense (a)	746.68	293.38
2	Deferred tax - continuing operations		
	Atributable to -		
	Origination and reversal of temporary differences	(207.32)	383.10
	Total deferred tax expense (b)	(207.32)	383.10
3	Tax expense of discontinued operations		
	Tax on the profit from discontinued operations	313.04	21.06
	Total tax expense of discontinued operations (c)	313.04	21.06
	Total tax expense (a + b + c)	**852.40**	**697.54**

The deferred tax relates to origination/reversal of temporary differences.

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	31 March 2019	31 March 2018
Profit before tax	3,774.04	3,241.21
Indian statutory income tax rate	34.94%	34.61%
Expected tax expense	1,318.80	1,121.72
Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Effect of income tax holiday, exemptions and deductions	(446.51)	(588.08)
Effect relating to prior years	44.31	(4.24)
Effect of permanent adjustments	(12.64)	52.47

Particulars	31 March 2019	31 March 2018
Effect of differential overseas tax rates	(140.08)	57.05
Effect of unrecognized deferred tax assets	90.36	56.44
Others (net)	(1.84)	2.18
Total tax expense	**852.40**	**697.54**

During the year, for the period 01 April 2018 to 31 December 2018 i.e. the period upto which R & D Unit was part of the Group and for year ended 31 March 2018, the Group has claimed weighted tax deduction on eligible research and development expenditures based on the approval received from Department of Scientific and Industrial Research (DSIR) on 02 June 2011 which has been renewed effective April 2018. The weighted tax deduction is equal to 150% of such expenditures incurred. Also refer note 41.

Under the composite scheme of merger and de-merger the Units which formed part of Special Economic Zone were transferred to KPIT Technologies Limiited (erstwhile KPIT Engineering Limited) effective 01 January 2019. Accordingly, the Group also benefited from the tax holiday available for units set up under the Special Economic Zone Act, 2005 (SEZ) for the period 01 April 2018 to 31 December 2018. The tax holiday is worked out as 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. Book profit of eligible SEZ units for the period 01 April 2018 to 31 Decemeber 2018 is ₹760.81 million. The Company is eligible to claim incentive deduction of ₹689.26 million under section 10AA of Income tax Act, 1961.

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 ₹90.36 million (Previous year - ₹56.44 million).

Deferred Tax

The gross movement in the deferred income tax account for the year ended 31 March 2019 and 31 March 2018 is as follows:

Particulars	31 March 2019	31 March 2018
Net deferred income tax asset at the beginning	943.89	963.05
Deferred tax asset transferred to resulting company	(8.44)	-
Translation differences	11.23	(1.59)
MAT Credit Utillised for the year	(125.53)	152.12
Deferred tax of transferor company	423.06	-
Credits/(charge) relating to temporary differences (net)	207.32	(226.99)
Temporary differences on other comprehensive income	(18.94)	57.30
Net deferred income tax asset at the end	1,432.59	943.89

Based on the Composite Scheme of Arrangement:

a. deferred tax asset of ₹423.06 million related to Birlasoft (India) Limited (Transferor Company) and its subsidiaries were transferred to Birlasoft Limited (Erstwhile KPIT Technologies Limited) (transferee company or demerged company) upon merger.

b. deferred tax assets of ₹8.44 million was transferred to KPIT Technologies Limited (Resulting Company) (erstwhile KPIT Engineering Limited) and its subsidiaries for the assets and liabilities transferred to the resulting companies upon demerger"

The credit relating to temporary differences during the year ended 31 March 2019 are primarily on account of property, plant and equipment, provision for doubtful debts ,provision for compensated absence, provision for gratuity, transaction cost and rent equilisation reserve partially offset by forward exchange contracts . The charge relating to temporary differences during the year ended 31 March 2018 are primarily on account of provision for doubtful debts provision for gratuity, compensated absence and partially offset by property,plant and equipment.

45. Composite scheme of arrangement

1. The Board of Directors of the Company at its meeting held on 29 January 2018 had approved a Composite Scheme ("the Composite Scheme") and subsequently filed with National Company Law Tribunal (NCLT) for: (a) amalgamation of Birlasoft (India) Limited ("Transferor Company") with Birlasoft Limited (erstwhile KPIT Technologies Limited) ("Transferee Company" or "Demerged Company"); and (b) demerger of the engineering business of Birlasoft Limited (erstwhile KPIT Technologies Limited) into KPIT Technologies Limited (erstwhile KPIT Engineering Limited) ("Resulting Company").

   The Composite Scheme approved by the National Company Law Tribunal, Mumbai Bench on 29 November 2018 and certified copy of the order was received on 18 December 2018, was recorded by the Board of Directors in their meeting held on 15 January 2019, whereby the Transferor Company was merged into the Transferee Company and Engineering Business (Primarily comprising Automotive vertical with embedded software, digital technologies (cloud, IoT, analytics), Mobility Solutions and application life cycle management Business) was demerged from the Transferee Company and transferred to the Resulting Company, with effect from 01 January 2019, the appointed date. The Group has presented the Engineering Business ("Demerged Undertaking") as discontinued operations during the year ended on 31 March 2019 in accordance with Ind AS 105 and accordingly reclassified the comparative financial information of the previous year presented.

   In accordance with the composite scheme approved by the National Company Law Tribunal (NCLT) on November 29, 2018, the name of the Company has been changed from KPIT Technologies Limited to Birlasoft Limited, vide the "Certificate of Incorporation pursuant to change of name", issued by the Registrar of Companies (ROC) dated February 8, 2019.

   Shareholders of the Transferor Company have received 22 equity shares of the Transferee Company for every 9 equity shares they held in the Transferor Company. After the demerger of Transferee Company's engineering business, shareholders of the Demerged Company received 1 equity share of the Resulting Company for every 1 equity share they hold in the Demerged Company. After the demerger, the Demerged Company has the combined business of KPIT IT Services Business and the current buisness of Birlasoft (India) Limited creating a new leader in the mid-tier IT services space. Whereas the Resulting Company has the current Engineering business of the Demerged Company to create a company focused on Automotive Engineering and Mobility Solutions.

   As per the Composite Scheme, all assets and liabilities of Birlasoft (India) Limited ("Transferor Company") stand transferred to the Transferee Company from the appointed date. The employees of the Transferor Company have also moved to the Transferee Company and consequently the employee related benefits and all contracts and agreements in relation to them have been taken over by the Transferee Company. The Composite Scheme has accordingly been given effect to in the financial statements as on the appointed date i.e. 01 January 2019.

   As per the Composite Scheme, all assets and liabilities of the Engineering Business ("Demerged Undertaking") stand transferred to the Resulting Company from the appointed date. The employees of the Engineering Business have also moved to the Resulting Company and consequently the employee related benefits and all contracts and agreements in relation to them have been taken over by the Resulting Company. The Composite Scheme has accordingly been given effect to in the financial statements as on the appointed date.

Accordingly, the previous year balances are not comparable.

Transaction I- Merger

Pursuant to the approved Composite Scheme, the Transferee Company shall account for merger and demerger in its books as per the applicable accounting principles prescribed under relevant Indian Accounting Standards (Ind AS). It would inter alia include the following:

Accounting of Merger as per Court approved scheme:

1. Assets, Liabilities and Reserves of the Transferor Company transferred to and vested in the Transferee Company shall be recorded at their carrying values as appearing in books of the Transferor Company at the time of the merger effective date and in accordance with requirements of relevant Ind AS.
2. The Transferee Company shall credit its share capital account in its books of account with the new equity shares issued pursuant to Composite Scheme to the shareholders of the Transferor Company.
3. Subsequent to the merger, the pre-merger shares of the Transferor Company shall be cancelled.
4. The inter-company balances between Transferee Company and Transferor Company, if any, in the books of accounts of Transferee Company and Transferor Company shall stand cancelled.
5. The difference, if any, between assets, liabilities and reserves transferred and the value of the new equity shares issued on merger by the Transferee Company shall be transferred to capital reserves of Transferee Company.
6. The Transferor Company is in the process of transferring the title of the assets and liabilities received under the Composite Scheme as on the reporting date.

a. Consideration transferred (at the acquisition date book values)

Particulars	Amount
Cash	-
Equity shares (76,645,066 shares of Birlasoft Limited (Erstwhile KPIT Technologies Limited)	153.29
Total	**153.29**

b. Acquisition related cost

Acquisition related cost of ₹282.65 million is recognised under other expenses in the Statement of Profit and Loss for the year ended 31 March 2019.

c. The book value of assets acquired and liabilities taken over from Transferor Compnay as at the date of merger were:

Particulars	Amount
ASSETS	
Non-Current Assets	
Property, plant and equipment	682.20
Goodwill	258.69
Other intangible assets	7.48
Financial Assets	
Other financial assets	39.61
Other non current assets	315.15
Deferred tax assets (net)	423.06
	1,726.19

Particulars	Amount
Current Assets	
Financial Assets	
Investments	2,385.51
Trade receivables	1,586.87
Cash and Cash equivalents	1,032.91
Other balances with banks	20.00
Other financial assets	283.11
Other current assets	249.93
	5,558.33
Total Assets	**7,284.52**
EQUITY AND LIABILITIES	
Equity	
Other Equity	4,873.55
Total Equity	**4,873.55**
Liabilities	
Non-Current Liabilities	
Provisions	3.33
Other non current liabilities	136.57
	139.90
Current liabilities	
Financial Liabilities	
Trade payables	
- Outstanding dues of micro enterprises and small enterprises	-
- Outstanding dues of creditors other than micro enterprises and small enterprises	735.86
Other financial liabilities	294.03
Provison for employee benefits	176.81
Other current liabilities	402.75
Provisions	242.46
Current tax liabilities	105.61
	1,957.52
Total Equity and Liabilities	**6,970.97**
Total net identifiable assets at book value	**313.55**

d. Capital Reserve arising on merger

Particulars	Amount
Purchase consideration	153.29
Less : Book value of net identifiable assets acquired	313.55
Capital reserve	**(160.26)**

The difference between the amount recorded as share capital issued and the amount of share capital of the Transferor Company has been transferred to capital reserve.

e. Transferor Company's contribution to Revenue and Profit before tax

From the date of merger, the Transferor Company has contributed ₹2,535.09 million to revenue and ₹175.19 million to the profit before tax from continuing operations of the Group for the period ended 31 March 2019. If the combination had taken place at 01 April 2018, the contribution to Group's revenue for the year ended 31 March 2019 would have been ₹10,080.69 million and the profit before tax would have been ₹386.00 million.

Transaction II- Demerger

Pursuant to the approved Composite Scheme, Birlasoft Limited (erstwhile KPIT Technologies Limited) accounted for demerger of Demerged Undertaking in its books as per the applicable accounting principles prescribed under relevant Indian Accounting Standards (Ind AS). It would inter alia include the following:

Accounting of Demerger as per Court approved scheme:

1. The carrying values of assets and liabilities of demerged undertaking transferred to Resulting Company shall be adjusted with capital reserves, if any, then to general reserve account and then to retained earnings of the Demerged Company.
2. The carrying value of the investment in equity shares of the Resulting Company to the extent held by Demerged Company shall stand cancelled.
3. The Company is in the process of transferring the title of the assets and liabilities transferred under the scheme of demerger as on the reporting date.

a. Value of assets and liabilities transferred to the Resulting Company

Particulars	Amount
ASSETS	
Non-Current Assets	
Property, plant and equipment	2,602.40
Capital work in progress	8.58
Goodwill	959.98
Other intangible assets	748.78
Intagible assets under development	18.63
Financial assets	
Investments	10.40
Loans	273.67
Other financial assets	14.20
Income tax assets (net)	11.77

Particulars	Amount
Deferred tax assets (net)	39.53
Other non current assets	29.05
	4,716.99
Current Assets	
Inventories	168.85
Financial assets	
Trade receivables	7,073.17
Cash and cash equivalents	1,422.84
Other balances with banks	147.38
Loans	93.85
Unbilled Revenue	882.73
Other financial assets	2,634.84
Other current assets	403.01
	12,826.67
Total Assets	**17,543.66**
EQUITY AND LIABILITIES	
Equity	
Other Equity	
General reserve	(117.89)
Capital reserve	(127.08)
Remeasurement of defined benefit plan	(45.27)
Effective portion of cash flow hedge	9.75
Foreign currency translation reserve	(19.21)
Retained earnings	4,563.25
Non-controlling interest	31.89
Total Equity	**4,295.44**
Liabilities	
Non Current Liabilities	
Financial liabilities	
Borrowings	548.92
Other financial liabilities	38.96
Provisions	286.66
Deferred tax liabilities (Net)	31.09
	905.63

Particulars	Amount
Current Liabilities	
Financial liabilities	
Borrowings	1,319.18
Trade Payables	3,479.12
Other financial liabilities	1,510.13
Other Current Liabilities	742.96
Provisions	192.09
Income tax liabilities (net)	178.98
	7,422.46
Total Equity and Liabilities	**12,623.53**
Net asset to be transferred to the Resulting Company	**4,920.13**
Cancellation of existing investment in the Resulting Company	1.00
Utilization of reserves for transfer of Net Assets pursuant to the above scheme of arrangement	
Capital reserve	179.66
General reserve	1,719.62
Retained earnings (excludes accumulated deficit of ₹288.39 million of EWT transferred to the Resulting Company)	3,021.85
	4,921.13

b. Results of discontinued operations

Particulars	31 March 2019	31 March 2018
Revenue from operations	13,916.48	14,157.86
Other income	143.65	211.80
Total income	**14,060.13**	**14,369.66**
Expenses		
Cost of materials consumed	108.54	465.62
Changes in inventories of finished goods and work-in-progress	(32.34)	84.26
Employee benefits expense	8,983.40	9,443.88
Finance costs	80.91	22.99
Depreciation and amortization expense	556.60	441.16
Excise duty	-	18.84
Other expenses	3,385.13	3,193.16
Total expenses	**13,082.24**	**13,669.91**

Particulars	31 March 2019	31 March 2018
Profit before exceptional items, share of equity accounted investee and tax	**977.89**	**699.75**
Exceptional items (Refer Note (i))	-	25.55
Profit before share of equity accounted investees and tax	**977.89**	**725.30**
Share of (loss) of equity accounted investees (net of tax)	(97.06)	(72.48)
Profit before tax	880.83	652.82
Total tax expense	**313.04**	**21.06**
Profit after tax	**567.79**	**631.76**

Note:

(i) During the previous year, the Company had sold of its entire stake in Sankalp Semiconductors Private Limited. The gain on disposal is recorded under exceptional items in the Statement of Profit and Loss.

(ii) The Engineering business have been discontinued from 01 January 2019.

c. Net cash outflows from discontinued operations for the year ended 31 March 2019 amount to ₹1927.49 million. Due to non-availability of relevant information relating to discontinued operations, the cash flows for the current year have been disclosed on net basis and cash flows for the comparative period have not been disclosed.

2 On 03 December 2018, the Group's subsidiary Birlasoft Solutions Inc, USA (erstwhile known as KPIT Infosystems Inc, USA) had transferred 100% stake in KPIT Technologies Inc, USA, an Engineering services company to KPIT Technologies Holding Inc. Pursuant to composite scheme KPIT Technologies Holding Inc has been transferred as a part of demerger of engineering business.

The above business combination is accounted for at carrying value using the pooling of interest method.

Details of the consideration transferred, the net assets acquired and the treatment thereof are as follows:

Particulars	Amount
Cash consideration received	865.42
Net assets transferred	706.99
Gain on sale of undertaking	**158.43**

3 On 03 December 2018, the Group's Subsidiary Birlasoft Computer Corporation, USA (erstwhile known as SYSTIME Computer Corporation, USA) and Birlasoft Technologies Canada Corporation (erstwhile known as KPIT Technologies Corporation, Canada) respectively transfred 99.9% and 0.1% shares of MicroFuzzy KPIT TECNOLOGIA LTDA, Brazil to KPIT Technologies Limited (erstwhile KPIT Engineering Limited) and KPIT Technologies Holding Inc. respectively. Pursuant to composite scheme KPIT Technologies Limited (erstwhile KPIT Engineering Limited) and KPIT Technologies Holding Inc have been transferred as a part of demerger of engineering business.

The above business combination is accounted for at carrying value using the pooling of interest method.

Details of the consideration transferred, the net assets acquired and the treatment thereof are as follows:

Particulars	Amount
Cash consideration received	17.45
Net assets transferred	0.03
Gain on sale of undertaking	**17.42**

4 On 03 December 2018, the KPIT Technologies (UK) Limited transferred its IT business to KPIT Infosystem UK Ltd (Subsidiary of Birlasoft Limited (erstwhile KPIT Technologies Limited)) at book value for a consideration of GBP 2.05 million. Pursuant to composite scheme KPIT Technologies (UK) Limited has been transferred as a part of demerger of engineering business.

The above business combination is accounted for at carrying value using the pooling of interest method.

Details of the consideration transferred, the net assets acquired and the treatment thereof are as follows:

Particulars	Amount
Cash consideration received	185.94
Net assets transferred	185.94
Gain on sale of undertaking	**-**

5 On 23 November 2018, the Group's erstwhile subsidiary KPIT Technologies GmbH, Germany transferred 100% shares of KPIT Solutions GmbH to KPIT Infosystem,UK at fair market value at the consideration of Euro 9 Million.

The above business combination is accounted for at carrying value using the pooling of interest method.

Details of the consideration transferred, the net assets acquired and the treatment thereof are as follows:

Particulars	Amount
Cash consideration received	718.02
Net assets transferred	209.14
Goodwill on consolidation	**508.88**

46. Other disclosures and explanatory notes

1 Disclosure of financial information of subsidiaries with material non-controlling interest

Pursuant to the Composite Scheme of arrangement (refer note 45), MicroFuzzy Industrie-Elektronic GmbH is no longer a subsidiary of the Group. As the demerger was effective 01 January 2019, the below data is presented for the period ending 31 December 2018.

The interest that non-controlling interest had 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 December 2018	31 March 2018
MicroFuzzy Industrie-Elektronic GmbH	Germany	12.50%	25%

B. Details of non-controlling interest

Particulars	31 December 2018	31 March 2018
Accumulated balance of non-controlling interest	31.89	35.67
Total comprehensive income allocated to non-controlling interest	26.50	18.81

C. Summarised balance sheet (before inter-company eliminations)

Particulars	31 December 2018	31 March 2018
Non-current assets	112.29	110.78
Cash and cash equivalents	75.63	33.15
Current assets (excluding cash and cash equivalents)	587.39	396.90
Total	**775.31**	**540.83**
Trade payables	267.22	263.26
Current liabilities (excluding trade payables)	252.89	134.91
Total	**520.11**	**398.17**
Total equity	**255.20**	**142.66**
Attributable to:		
Owners of the Group	223.31	106.99
Non-controlling interest	31.89	35.67

D. Summarised statement of profit and loss (before inter-company eliminations)

Particulars	For the nine months ended on 31 December 2018	For the year ended on 31 March 2018
Revenue	1,718.71	1,542.27
Other income	8.33	38.23
Total income	**1,727.04**	**1,580.50**
Employee benefits expense	707.87	689.53
Finance costs	1.98	2.75
Depreciation and amortization	27.30	22.06
Other expenses	818.52	788.11
Total expenses	**1,555.67**	**1,502.45**
Profit before tax	171.37	78.05
Current tax	55.53	17.52
Profit/(Loss) for the period	**115.84**	**60.53**
Other comprehensive income	-	-
Total comprehensive income	**115.84**	**60.53**

E. Summarised cash flow information (before inter-company eliminations)

Particulars	For the nine months ended on 31 December 2018	For the year ended on 31 March 2018
Cash flow from:		
Operating activities	61.91	160.44
Investing activities	(20.21)	(57.24)
Financing activities	0.78	(79.82)
Net increase/(decrease) in cash and cash equivalents	42.48	23.38

2 Disclosure of interest in joint arrangement and associate

During the previous year, the Group had further invested 8.34% (Previous year 50%) in Yantra Digital Services Private Limited, a non-listed company based in Mumbai, India. Pursuant to this investment, the investee had become joint venture of the Company. The cumulative investment as on 31 March 2018 was 58.34%. Investee is engaged in providing the wifi based entertainment in public transport.

The investee was a subsidiary 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.

As a part of composite scheme of arrangement this entity has been transferred to the resulting company. As the demerger was effective 01 January 2019, below data is presented for the period ended 31 December 2018

A. Summarised balance sheet

Particulars	31 December 2018	31 March 2018
Non-current assets	333.49	359.06
Cash and cash equivalents	10.99	19.90
Current assets (excluding cash and cash equivalents)	3.16	55.52
Total	**347.64**	**434.48**
Non-current liabilities	265.02	108.09
Trade payables	272.41	48.76
Current liabilities (excluding trade payables)	5.86	247.12
Total	**543.29**	**403.97**
Total equity	(195.65)	30.51
The Group's share in equity - 58.34%	(114.14)	17.80
Carrying amount of the investment (after adjusting the share of loss)	-	97.07

B. Summarised statement of profit and loss

Particulars	For the nine months ended on 31 December 2018	For the year ended on 31 March 2018
Revenue	8.67	91.67
Other income	0.24	0.52
Total income	**8.91**	**92.19**
Employee benefits expense	32.74	24.56
Finance costs	14.86	9.16
Depreciation and amortization	103.92	92.70
Other expenses	83.78	102.33
Total expenses	**235.30**	**228.75**
Profit/(Loss) before tax	(226.39)	(136.56)
Current tax	-	-
Profit/(Loss) for the period	**(226.39)**	**(136.56)**
Other comprehensive income	-	-
Total comprehensive income	**(226.39)**	**(136.56)**
The Group's share of loss for the year	(132.08)	(71.25)
The Group's share of loss, restricted to the extent of investment	(97.06)	(72.49)

C. Reconciliation of carrying amount of investment

Particulars	31 December 2018	31 March 2018
Carrying amount at the start of the year	97.06	-
Additional investment	-	169.55
Share of loss	(97.06)	(72.49)
Carrying amount of investment	-	97.06

3 The Company was required to spend ₹42.99 million towards Corporate Social Responsibility. During the year, the Company has spent and paid ₹43.43 million (Previous year ₹27.17 million) towards Corporate Social Responsibility, 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 2019	31 March 2018
A.	Gross amount required to be spent by the company during the year	42.99	45.93
B.	Amount spent during the year		
	(i) Construction/acquistion of any asset	Nil	Nil
	(ii) On purpose other than (i) above	43.43	27.17

4 Sales considertation receivable pertains to disposal of Group's wholly owned subsidiary KPIT medini Technologies AG in FY 2016-17.

5 During FY 2016-17 the Group had acquired 75% stake in MicroFuzzy Industrie-Elektronic GmbH. The balance purchase consideration payable has been transferred to Resulting Company as a part of composite scheme of arrangement (Refer note 45).

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number :101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place: New Delhi
Date: 24 May 2019

For and on behalf of the Board of Directors of
BIRLASOFT LIMITED (Erstwhile KPIT Technologies Limited)
CIN: L72200PN1990PLC059594

Rajeev Gupta
Chief Financial Officer

Amita Birla
Chairman
DIN : 00837718

Sneha Padve
Company Secretary

Anjan Lahiri
CEO & Managing Director
DIN: 06407055

Place: New Delhi
Date: 24 May 2019

birlasoft

BIRLASOFT LIMITED

(formerly KPIT Technologies Limited)
CIN: L72200PN1990PLC059594
Registered Office: 35 & 36, Rajiv Gandhi Infotech Park, Phase – I, MIDC,
Hinjawadi, Pune – 411057, India.
Tel.: +91-20-66525000 I Fax: +91-20-66525001 I Email: contactus@birlasoft.com I Website: www.birlasoft.com

NOTICE

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of Birlasoft Limited will be held on Wednesday, August 7, 2019, at 04:00 p.m., at Birlasoft Auditorium, SDB – II, 35 & 36, Rajiv Gandhi Infotech Park, Phase – I, MIDC, Hinjawadi, Pune – 411057, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2019, together with the report of the Auditor and the report of the Board of Directors thereon.

2. To receive, consider and adopt the Audited Consolidated Financial Statements for the financial year ended March 31, 2019, together with the report of the Auditor thereon.

3. To declare dividend for the financial year ended March 31, 2019.

   [The Board has recommended dividend at ₹2/- per equity share of ₹2/- each (at 100%)].

4. To re-appoint the Statutory Auditor to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2023.

   To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force and pursuant to the recommendation of the Audit Committee and proposal by the Board of Directors of the Company, B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022), be and are hereby re-appointed as the Statutory Auditor of the Company, to hold office for a further period of four years i.e. from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2023.

   RESOLVED FURTHER THAT the remuneration payable to B S R & Co. LLP, shall not exceed ₹1 crore per annum (excluding applicable taxes, reimbursement of actual out of pocket and travelling expenses), as may be mutually decided by the Board and the Statutory Auditor.

   RESOLVED FURTHER THAT all of the Key Managerial Personnel of the Company, be and are hereby severally authorized, to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

SPECIAL BUSINESS

5. **To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:**

   "**RESOLVED THAT** pursuant to the provisions of Section 152, all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Mrs. Amita Birla (DIN: 00837718), who was appointed as an Additional Director of the Company and whose term expires at the ensuing Annual General Meeting, be and is hereby appointed as a Director & Chairman of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT all of the Key Managerial Personnel of the Company, be and are hereby severally authorized, to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

6. **To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:**

   "**RESOLVED THAT** pursuant to the provisions of Section 152, all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Mr. Chandrakant Birla (DIN: 00118473), who was appointed as an Additional Director of the Company and whose term expires at the ensuing Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

   RESOLVED FURTHER THAT all of the Key Managerial Personnel of the Company, be and are hereby severally authorized, to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

7. **To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Mr. Ashok Kumar Barat (DIN: 00492930), who was appointed as an Additional 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 for a period of five years, with effect from January 15, 2019, not liable to retire by rotation.

   RESOLVED FURTHER THAT all of the Key Managerial Personnel of the Company, be and are hereby severally authorized, to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

8. **To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Ms. Nandita Gurjar (DIN: 01318683), who was appointed as an Additional 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, for a period of five years with effect from January 15, 2019, not liable to retire by rotation.

   RESOLVED FURTHER THAT all of the Key Managerial Personnel of the Company, be and are hereby severally authorized, to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

9. **To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Mr. Prasad Thrikutam (DIN: 06814004), who was appointed as an Additional 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, for a period of five years with effect from January 15, 2019, not liable to retire by rotation.

   RESOLVED FURTHER THAT all of the Key Managerial Personnel of the Company, be and are hereby severally authorized, to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

10. **To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:**

    "**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the

Companies Act, 2013, read with Schedule V thereof and the Rules made thereunder and as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, approval of the members of the Company, be and is hereby accorded for the remuneration paid as per of the terms and conditions of appointment of Mr. Anjan Lahiri (DIN: 06407055), who was appointed as the Managing Director & Chief Executive Officer of the Company, for the period from January 16, 2019 till May 31, 2019.

RESOLVED FURTHER THAT all of the Key Managerial Personnel of the Company, be and are hereby severally authorized, to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

11. **To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:**

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013, read with Schedule V thereof and the Rules made thereunder and as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, approval of the members of the Company, be and is hereby accorded for the remuneration paid as per of the terms and conditions of appointment of Mr. Pawan Sharma (DIN: 01924215), who was appointed as a Whole-time Director of the Company, for the period from January 15, 2019 till May 31, 2019.

RESOLVED FURTHER THAT all of the Key Managerial Personnel of the Company, be and are hereby severally authorized, to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

12. **To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:**

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013, read with Schedule V thereof and the Rules made thereunder and as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, approval of the members of the Company, be and is hereby accorded for the appointment of Mr. Dharmander Kapoor (DIN: 08443715), as the Chief Executive Officer (CEO) & Managing Director of the Company, for a period of three years, with effect from June 1, 2019, on the terms and conditions specified in the agreement to be entered into between the Company and Mr. Kapoor.

RESOLVED FURTHER THAT Mr. Kapoor 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 the term of this appointment.

RESOLVED FURTHER THAT all of the Key Managerial Personnel of the Company, be and are hereby severally authorized, to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

13. **To consider and if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:**

"**RESOLVED THAT** pursuant to the provisions of Sections 5, 14 and other applicable provisions, of the Companies Act, 2013 and as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force and subject to such terms/conditions/amendments/ modifications & such approvals/consents/sanctions, if any, as may be suggested or required by any appropriate authorities, the approval of the members of the Company, be and is hereby accorded for adopting a new set of Articles of Association of the Company, in substitution for, and to the entire exclusion of the existing set of Articles of Association of the Company, a draft of which is tabled before the members and duly initialled by the Chairman for the purpose of identification.

RESOLVED FURTHER THAT all of the Key Managerial Personnel of the Company, be and are hereby severally authorized, to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

14. **To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:**

"**RESOLVED THAT** pursuant to the provisions of Section 197 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force and the Articles of Association of the Company, commission be paid to the Non-Executive Directors of the Company, for a period of five years commencing from the financial year 2019-20, of such an aggregate amount not exceeding 1% of the net profits of the Company, for the relevant financial year, computed in the manner laid down under Section 198 of the Companies Act, 2013, as may, from time to time, be determined by the Board of Directors, and that such aggregate amount of commission shall be divided amongst the Non-Executive Directors in such proportion and in such manner as may be decided by the Board of Directors in that behalf.

RESOLVED FURTHER THAT all of the Key Managerial Personnel of the Company, be and are hereby severally authorized, to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

By Order of the Board of Directors
For Birlasoft Limited
(formerly KPIT Technologies Limited)

New Delhi
May 24, 2019

Sneha Padve
Company Secretary

NOTES:

1. An Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, is annexed hereto.

2. Notice calling this Annual General Meeting along with the Annual Report 2018-19 is being sent by electronic mode to those members whose email addresses are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their email addresses, physical copies are being sent by the permitted mode. Members may note that the Notice and Annual Report 2018-19 will also be available on the Company's website at (https://www.birlasoft.com/company/investors/corporate-governance).

3. Pursuant to SS-2 i.e. Secretarial Standard on General Meetings as issued by the Institute of Company Secretaries of India, the route map for reaching the Meeting venue showing the prominent landmarks is given with this Notice. Further, the Company has uploaded the above route map on its website at (https://www.birlasoft.com/company/investors/corporate-governance).

4. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DULY FILLED, STAMPED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

5. A person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other shareholder.

6. During the period beginning 24 hours before the time fixed for the commencement of the Annual General Meeting and until the conclusion of the meeting, a member would be entitled to inspect the proxies lodged during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

7. Proxies are requested to bring their valid photo identity proof at the meeting.

8. The record date for the purpose of payment of dividend is Wednesday, July 31, 2019.

9. Members holding shares in physical form are requested to communicate immediately any change in address to the Registrar & Share Transfer Agent of the Company at

Link Intime India Private Limited (Attention - Mr. Sandip Pawar) Block No. 202, Akshay Complex, Off Dhole Patil Road, Near Ganesh Temple, Pune - 411001, Telephone: +91-20-26161629, E-mail: sandip.pawar@linkintime.co.in. Members holding shares in dematerialized form are requested to notify change in address, if any, to their respective Depository Participants (DPs).

10. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Chief Financial Officer at gupta.rajeev@birlasoft.com or to the secretarial department at contactus@birlasoft.com so as to reach them at least seven days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent possible.

11. The Securities and Exchange Board of India ("SEBI") has made it mandatory to distribute dividends through National Electronic Clearing System ("NECS"). 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 the Registrar & Share Transfer Agent of the Company.

12. 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.

13. As per the provisions of Section 72 of the Companies Act, 2013, the members are entitled to nominate a person to whom his/her shares in the Company shall vest by filling up Form No. SH-13. The members are requested to avail this facility by contacting the Registrar & Share Transfer Agent of the Company at Link Intime India Private Limited (Attention - Mr. Sandip Pawar) Block No. 202, Akshay Complex, Off Dhole Patil Road, Near Ganesh Temple, Pune - 411001, Telephone: +91-20-26161629, E-mail: sandip.pawar@linkintime.co.in.

14. Pursuant to the provisions of Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of the same and to eliminate all risks associated with physical shares, the members are advised to dematerialize shares held by them in physical form. For the said purposes the members are requested to contact the Registrar & Share Transfer Agent of the Company at Link Intime India Private Limited (Attention - Mr. Sandip Pawar) Block No. 202, Akshay Complex, Off Dhole Patil Road, Near Ganesh Temple, Pune - 411001, Telephone: +91-20-26161629, E-mail: sandip.pawar@linkintime.co.in.

15. 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 Registrar & Share Transfer Agent of the Company.
    - bring copies of the Annual Report and the Attendance Slip duly filled-in at the Annual General Meeting.
    - 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 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.

16. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the resolution of the Board authorizing their representative to attend and vote on their behalf at the meeting.

17. A certificate from the Auditors of the Company certifying that the Company's Employee Stock Option Plan 2004, Employee Stock Option Plan 2006, Employee Stock Option Plan 2014, Employee Stock Option Plan 2015 and Employee Stock Option Plan 2019 are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time and in accordance with the resolutions passed at the general meeting(s) will be placed before the members at the Meeting.

18. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2010-11, from time to time, to the Investor Education and Protection Fund ("IEPF") established by the Central Government.

    Members wishing to claim the unpaid dividend, are requested to correspond with the Registrar & Share Transfer Agent of the Company at Link Intime India Private Limited (Attention - Mr. Sandip Pawar) Block No. 202, Akshay Complex, Off Dhole Patil Road, Near Ganesh Temple, Pune - 411001. Telephone: +91-20-26161629, E-mail: sandip.pawar@linkintime.co.in.

    Members are requested to note that dividend which are not encashed or claimed within seven years from the date of transfer of the dividend to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013, be transferred to the IEPF.

    Please note that pursuant to the provisions of Section 124(6), read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Amendment Rules, 2016 ("Rules") as amended from time to time, shares in respect of such dividend will be transferred in the name of the IEPF including all benefits accruing on such shares. The Company has sent out individual communication to shareholders whose dividends remain unclaimed for seven years and published an advertisement in newspapers, inviting such shareholders to claim their dividend. The information in respect of such shares is uploaded on the website of the Company (https://www.birlasoft.com/company/investors/policies-reports-filings).

    Members can claim back such dividend and shares including all benefits accruing on such shares from the IEPF Authority after following the procedure prescribed in the Rules, by filling Form No. IEPF-5 available on www.iepf.gov.in. Members can file only one consolidated claim in a financial year as per the Rules.

    Accordingly, during the year, the Company transferred an amount of ₹186,471/- being the unclaimed dividend pertaining to the financial year 2010-11 to the Investors Education and Protection Fund (IEPF). Further, 9,139 corresponding shares were transferred to IEPF Authority as required under the above referred rules.

19. Documents, if any, referred to in any item of business hereinabove will be available for inspection at the Company's registered office on all working days, except Saturdays, Sundays and holidays, during 11:00 a.m. to 01:00 p.m. upto the date of the Annual General Meeting and will be made available at the meeting.

20. Members interested in availing transport facility (within Pune) for attending the Annual General Meeting are requested to register themselves at least five days before the meeting by contacting Mr. Pramod Gandhi at pramod.gandhi@birlasoft.com at +91-20-66525000, Extn. – 2574.

21. Pursuant to the provisions of Section 108 of the Companies Act, 2013, the Rules made thereunder and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing an option to the shareholders to exercise their right to vote by electronic means ("e-voting"). Instructions for e-voting are attached to this Notice.

22. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Meeting.

23. The Register of Contracts or arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Meeting.

EXPLANATORY STATEMENT AND ADDITIONAL INFORMATION ON DIRECTORS SEEKING APPOINTMENT AT THE ANNUAL GENERAL MEETING

[Pursuant to the provisions of Section 102 of the Companies Act, 2013, 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]

Item No.: 4

B S R & Co. LLP (Firm Registration No. 101248W/W100022), Statutory Auditor of the Company, were appointed as the Statutory Auditor of the Company at the Annual General Meeting of the Company held on July 25, 2014, for a period of five years, to hold office from the conclusion of that Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2019.

Prior to this appointment, B S R & Co. LLP were appointed as the Statutory Auditor of the Company, pursuant to the provisions of the Companies Act, 1956, (i.e. prior to the commencement of the new Companies Act, 2013), at the Annual General Meeting of the Company held on July 12, 2013, for the financial year 2013-14. Hence, pursuant to the statutory provisions, B S R & Co. LLP can now be re-appointed for a further period of maximum four years only.

Therefore, approval of the members is sought to re-appoint B S R & Co. LLP (Firm Registration No. 101248W/W100022), as the Statutory Auditor of the Company, for a further period of four years i.e. from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2023, as recommended by the Audit Committee and proposed by the Board of Directors of the Company (taking into consideration the peer review and its good standing).

As mandated by Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company on the recommendation of the Audit Committee, during the term of this appointment, proposes to pay B S R & Co. LLP, a remuneration not exceeding ₹1 crore per annum (excluding applicable taxes, reimbursement of actual out of pocket and travelling expenses), as may be mutually decided by the Board and the Statutory Auditor.

The Board of Directors recommends the resolution for approval of the members of the Company, as set out at Item No. 4 of the Notice.

None of the Directors, Key Managerial Personnel or any of their respective relatives are, in any way, concerned or interested, whether financially or otherwise, in this resolution.

Item Nos.: 5 & 6

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors had appointed Mrs. Amita Birla (DIN: 00837718) and Mr. Chandrakant Birla (DIN: 00118473) as Additional Directors (Non-Executive Directors) of the Company, with effect from January 15, 2019 and whose terms expires at the ensuing Annual General Meeting.

Further, Mrs. Amita Birla was designated as the Chairman of the Board, with effect from January 16, 2019.

They are eligible to be appointed as Directors. The Company has, in terms of Section 160 of the Companies Act, 2013, received in writing a notice from a member, proposing their candidature for the office of Directors.

A brief profile of the Non-Executive Directors to be appointed is given below:

Mrs. Amita Birla is the Chairman of Birlasoft and the Co Chairman of the CK Birla Group. As Chairman, she leads long term strategy development and implementation in Birlasoft, and with her extensive experience she has successfully been leading companies across other industries. Her personal drive and leadership led to the transformation of Birlasoft from a fledgling startup to the global company that it is today, acknowledged as a differentiated Enterprise Digital IT Solution provider. Mrs. Birla possesses 38 years of experience

Mr. Chandrakant Birla is the Chairman of the CK Birla Group. The Group operates in three industry clusters: technology and automotive, home and building, and healthcare and education. He is a keen philanthropist who is committed to social development in India, the advancement of Science and technology, Art and Culture. Mr. Birla possesses 42 years of experience.

Further details of the above Directors are provided in the Annexure to this Notice.

The Board of Directors recom mends the resolution for approval of the members of the Company, as set out at Item Nos. 5 and 6 of the Notice.

Mrs. Amita Birla and Mr. Chandrakant Birla being related are interested in each other's resolution.

Mrs. Birla and Mr. Birla and their respective relatives will be deemed to be concerned or interested in both the proposed resolutions, to the extent of the remuneration that the office of Directorship may carry.

None of the other Directors, Key Managerial Personnel or any of their respective relatives are, in any way, concerned or interested, whether financially or otherwise, in this resolution.

Item Nos.: 7, 8 & 9

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors had appointed Mr. Ashok Kumar Barat (DIN: 00492930), Ms. Nandita Gurjar (DIN: 01318683) and Mr. Prasad Thrikutam (DIN: 06814004) as Additional Directors (Independent Directors) of the Company, not liable to retire by rotation, for a period of five years, with effect from January 15, 2019, subject to the approval of the members in the ensuing Annual General Meeting.

They are eligible to be appointed as Directors. The Company has, in terms of Section 160 of the Companies Act, 2013, received in writing a notice from a member, proposing their candidature for the office of Directors.

The Company has received declarations from Mr. Ashok Kumar Barat, Ms. Nandita Gurjar and Mr. Prasad Thrikutam to the effect that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013, read with the Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Regulations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, each of these Directors fulfil all regulatory conditions for appointment as Independent Director and that they are independent of the management of the Company.

The terms and conditions of their appointment is available for inspection by the members, at the Company's registered office on all working days, except Saturdays, Sundays and holidays, during 11:00 a.m. to 01:00 p.m. upto the date of the Annual General Meeting and will be made available at the meeting. The same is also available on the Company's website at (https://www.birlasoft.com/company/investors/corporate-governance) and shall be available at the time of Annual General Meeting too.

A brief profile of the Independent Directors to be appointed is given below:

Mr. Ashok Kumar Barat was the Managing Director and Chief Executive Officer of Forbes & Company Limited, a BSE listed company (established in 1767), till June 2016. During his long and distinguished career, he has held leadership positions in various Indian and multinational organizations, both in India and overseas, namely Hindustan Lever Limited, RPG Group, Pepsi, Electrolux, Telstra and Kraft-Heinz.

Mr. Barat is a member of the Managing Committee of ASSOCHAM. He has been a Trustee of the Mumbai Port Trust for some years and a past President of the Bombay Chamber of Commerce and Industry. In addition, he is a Certified Mediator empaneled with the Ministry of Corporate Affairs, Government of India. Mr. Barat is a Fellow Member of the Institute of Chartered Accountants of India and of the Institute of Company Secretaries of India, mentors budding entrepreneurs and advises companies on 'Strategy', 'Performance Improvement' and Governance initiatives. He is on the Board of various other entities, like Wacker Metroark Chemicals Private Limited (subsidiary of Wacker Chemie AG), Cholamandalam Investment & Finance Company Limited, DCB Bank Limited, Mahindra Intertrade Limited & Council of EU Chamber of Commerce in India, etc. Mr. Barat possesses 40 years of experience.

Ms. Nandita Gurjar is a technologist turned HR professional. Her experience is in mainstream IT spans software development, general management and consulting. She started her career at Wipro InfoTech in 1992 as a software programmer and handled multiple technical responsibilities, in various functions like software Coding and Testing, Program documentation and quality. She joined Infosys Limited in December 1999 to form the Learning & Development wing and set-up the leadership institute.

In 2003, Ms. Gurjar moved to the newly set-up subsidiary Infosys BPO (then called Progeon) to head the HR function where she was instrumental in scaling up the people function as the business grew to US $250 million and 16,000 employees. In 2007, Ms. Gurjar took over as Global Head HR for Infosys managing over 150,000 employees, she focused on making Infosys the preferred choice of global talent. She led the Infosys People strategy and employer branding across its global footprint. She was appointed as a member of Executive Council in 2011 and moved to the US Headquarters to manage the globalization initiatives of the organization. In 2013, she moved to head the Education & Research wing of Infosys which skilled the workforce on latest technologies and over saw over 1 million days of training annually. In April 2014, Ms. Gurjar got selected for Advanced Management Program (AMP) at Harvard Business School. She went on a sabbatical from Infosys for 6 months to join the program and upon her return exited from the Company.

She was the member of World Economic Forum (WEF) – Global Advisory Council on New Models of Leadership. She is often invited to speak on HR strategy, work force management and business leadership. She has addressed several forums such as World Bank, Conference Board and Great Places to work, USA. She won the "Human Capital Business Leader" award from the Singapore Society of Human Resource Management and has also been featured as "25 Most Powerful Professional Women in India", in Business Today magazine. Ms. Gurjar possesses 23 years of experience.

Mr. Prasad Thrikutam is a dynamic and innovative executive with an exemplary record of business success in both large public companies and medium sized founder led private companies. He has 25+ years of experience as C-suite Executive in Consulting and technology service industry. He is currently Founder and CEO for Mol.ai.cule and on the Advisory Board of TrueNorth Managers LLP one of India's largest PE companies.

Mr. Thrikutam was the President and Global Head-Applications and Digital Business at Dell Services from 2014 to 2017. He was also the CTO responsible for strategy and business innovation for Dell across various business of Dell Technologies. He helped turn around the Dell services business and was the key Exces that helped the divestiture at a 3+b valuation to NTT.

Mr. Thrikutam joined Dell in 2014 from Infosys where he held various key leadership roles from 1995 to 2014. He worked alongside the founders to scale Infosys from a USD 27m Company to a 10+b global brand. In the 19th year when he left Infosys, he was part of the C-suite and an executive committee member responsible for ~25% of the Company's total operating margins heading several key verticals business globally; he was also the Head of Infosys Americas (65% of Infosys's revenue). Prior to that, he led the high-tech and discrete manufacturing P&L globally. His main expertise is in scaling medium sized business to large, highly differentiated and profitable business. He helped start several new businesses for Infosys and Dell including Consulting, Digital and new verticals like Retail, Oil & Gas, etc. each of these are today multiple billion $ businesses for the Companies. He is a thought leader with unique ability to drive CEO level engagement and excels at connecting several business and technology trends to articulate a comprehensive and winning business strategy. He has demonstrated this in every one of his roles in the past 25+ years.

He has a strong industry network across several technology and services firms globally; having led several vertical businesses globally. He understands the unique challenges and opportunities across Hi-Tech, manufacturing, Oil & Gas, utilities, transportation, health-care, insurance, hospitality and services industries. Throughout his career, he has built globally diverse teams and inspired them to be highly cohesive and successful teams. He enjoys identifying and nurturing future leaders and has mentored several leaders including CEOs in his role as a board member. From 2006-2014, Mr. Thrikutam served on several boards – this includes Infosys BPO (700+m), Infosys China (150+m) and Infosys Public Services (120+m); he also served on the Board of Energetics, a leading global energy business based in Houston.

Further details of the above Directors are provided in the Annexure to this Notice.

Considering the qualifications, experience, expertise and accomplishments of these Directors, the Board of Directors is of the view that their appointment as Directors will benefit the Company and recommends the resolution for approval of the members of the Company, as set out at Item Nos. 7, 8 and 9 of the Notice.

Mr. Ashok Kumar Barat, Ms. Nandita Gurjar and Mr. Prasad Thrikutam and their respective relatives will be deemed to be concerned or interested in the resolution relating to their own appointment.

Mr. Barat, Ms. Gurjar and Mr. Thrikutam are not related to any other Director or Key Managerial Personnel of the Company or relatives of the Directors or Key Managerial Personnel.

None of the other Directors, Key Managerial Personnel or any of their respective relatives are, in any way, concerned or interested, whether financially or otherwise, in this resolution.

Item No.: 10

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors had approved the change in designation of Mr. Anjan Lahiri (DIN:

06407055) from being a Nominee of Birlasoft (India) Limited, to the Managing Director & Chief Executive Officer (CEO) of the Company, with effect from January 16, 2019.

Further, Mr. Anjan Lahiri has tendered his resignation from the post of the Managing Director and Chief Executive Officer of the Company, with effect from May 31, 2019.

A brief profile of Mr. Anjan Lahiri is given below:

Mr. Anjan Lahiri holds a Masters in Business Administration, University of Florida, USA and is a Bachelor of Technology from Birla Institute of Technology India. He has rich and varied experience of around 28 years in Information Technology sector. He is the Managing Director and Chief Executive Officer of our Company upto May 31, 2019. Prior to this, Mr. Lahiri was Whole Time Director and Chief Executive Officer at Sasken Communication Technologies Limited. His previous roles with Mindtree Limited, Cambridge Technology Partners and Wipro Infotech complement his experience. Mr. Lahiri received the 'Michael Tokarz' award given to the topmost graduating student in the MBA Program of the Warrington College of Business at the University of Florida in Gainesville and 'Valedictorian speaker' at the MBA graduation ceremony.

The remuneration payable is as per the recommendation of the Nomination and Remuneration Committee. Brief terms and conditions of his appointment are given below:

a) Basic salary and allowances in the range of ₹1,91,31,309/- to ₹3,00,00,000/- per annum. Within this range, the aggregate of basic salary and allowances may be revised by the Board of Directors or the Nomination & Remuneration Committee of the Board of Directors, from time to time.

b) The following perquisites shall be allowed to Mr. Lahiri in addition to basic salary and allowances mentioned above:

   - Company's contribution to Provident Fund;
   - Gratuity as per the policy of the Company in force from time to time;
   - Encashment of leave as per the rules of the Company in force from time to time;
   - Group medical insurance and group personal accident insurance as per the policy of the Company in force from time to time; and
   - Annual club membership fees payable, up to a maximum of ₹10,00,000/- per annum, in connection with his membership in one club of his choice.

c) Incentive/performance bonus/variable pay (by whatever name called) will be paid based on the defined KRA's/ BSC's and his performance against it and will be payable to him as per the incentive policy of the Company. He will be eligible to receive annual variable pay consisting of annual target performance bonus of ₹81,99,132/-. Final variable incentive amount to be decided by the Board of Directors or the Nomination & Remuneration Committee of the Board of Directors, from time to time.

d) Stock Options to be finalized.

e) The aggregate of basic salary, allowances, perquisites and variable incentive of Mr. Lahiri, shall not exceed 5% of the net profits of the Company subject to the condition that the total remuneration payable to Mr. Lahiri along with the total remuneration payable to the other Managing Director(s), if any, and the whole-time director(s) together shall not exceed 10% of the net profits of the Company.

f) Mr. Lahiri will also be paid the following amounts from Birlasoft Inc.:

   - During the Employment Term, the Company will pay him an annual base salary of USD 697,460/- as compensation for his services;
   - He will be eligible to receive performance based variable pay in accordance with the incentive policy of the Company. He will be eligible to receive annual variable pay consisting of annual target performance bonus of USD 298,911/-;
   - Annual club membership fees payable, up to a maximum of USD 20,000/- per annum, in connection with his membership in one club of his choice.

Further details of Mr. Lahiri are provided in the Annexure to this Notice.

Pursuant to the provisions of Section 196 of the Companies Act, 2013, the remuneration of a Managing Director shall require approval of the members of the Company.

The Board of Directors recommends the resolution for approval of the members of the Company, as set out at Item No. 10 of the Notice.

None of the other Directors, Key Managerial Personnel or any of their respective relatives are, in any way, concerned or interested, whether financially or otherwise, in this resolution.

Item No.: 11

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors had appointed Mr. Pawan Sharma (DIN: 01924215), as an Additional Director (Whole-time Director) of the Company, with effect from January 15, 2019.

Further, Mr. Pawan Sharma has tendered his resignation from the post of Whole-time Director of the Company, with effect from May 31, 2019.

A brief profile of Mr. Pawan Sharma is given below:

Mr. Pawan Sharma, an engineer by profession, has done his Global Advance Management from ISB Kellogg. He also completed his certification on "Leading Digitial Transformation and Innovation" from Hasso Plattner Institute (Germany) and Stanford (USA). He has rich and varied experience of around 28 years in Information Technology sector. He is the CEO of Solutions & Services business and also the Head of Americas responsible for the business in North America, Canada and LATAM. He has served at HP, IBM and HCL in senior management roles and leading country and global P&L in consulting, operations & software. Mr. Sharma is also appointed on the advisory board of North Carolina State University and he is an active member of the Manufacturing Leadership Council of North America.

The remuneration payable is as per the recommendation of the Nomination and Remuneration Committee. Brief terms and conditions of his appointment are given below:

a) Basic salary and allowances amounting to ₹68,25,000/- per annum.

b) The following perquisites shall be allowed to Mr. Sharma, in addition to basic salary and allowances mentioned above:

- Company's contribution to Provident Fund;
- Gratuity as per the policy of the Company in force from time to time;
- Encashment of leave as per the rules of the Company in force from time to time; and
- Group medical insurance and group personal accident insurance as per the policy of the Company in force from time to time.

c) Incentive/performance bonus/variable pay (by whatever name called) will be paid based on the defined KRA's/ BSC's and his performance against it and will be payable to him as per the incentive policy of the Company. He will be eligible to receive annual variable pay consisting of annual target performance bonus of ₹29,25,000/-. Final variable incentive amount to be decided by the Board of Directors or the Nomination & Remuneration Committee of the Board of Directors, from time to time.

d) The aggregate of basic salary, allowances, perquisites and variable incentive of Mr. Pawan, shall not exceed 5% of the net profits of the Company subject to the condition that the total remuneration payable to Mr. Sharma along with the total remuneration payable to the Managing Director(s) and other whole-time director(s) together shall not exceed 10% of the net profits of the Company.

e) Mr. Sharma will also be paid the following amounts from Birlasoft Inc.:

- During the Employment Term, the Company will pay him an annual base salary of USD 420,000/- as compensation for his services;
- He will be eligible to receive performance based variable pay in accordance with the incentive policy of the Company. He will be eligible to receive annual variable pay consisting of annual target performance bonus of USD 180,000/-;
- Special Bonus: Provided he remains employed by the Company for the entire initial 12 month Employment Term, he will receive a one-time Special Bonus of USD 325,000/-. The bonus will be payable to him as lump sum within 15 days following the last day of the initial 12 month Employment Term;
- Family Travel Reimbursement: In addition to the above, he will also be eligible for family travel reimbursement on actuals subject to maximum of USD 50,000/- per annum.

Further details of Mr. Sharma are provided in the Annexure to this Notice.

Pursuant to the provisions of Section 196 of the Companies Act, 2013, the remuneration of a Whole-time Director shall require approval of the members of the Company.

The Board of Directors recommends the resolution for approval of the members of the Company, as set out at Item No. 11 of the Notice.

None of the other Directors, Key Managerial Personnel or any of their respective relatives are, in any way, concerned or interested, whether financially or otherwise, in this resolution.

Item No.: 12

Consequent upon resignation of Mr. Anjan Lahiri and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has appointed Mr. Dharmander Kapoor (DIN: 08443715), as the Chief Executive Officer (CEO) & Managing Director of the Company, for a period of three years, with effect from June 1, 2019.

A brief profile of Mr. Dharmander Kapoor is given below:

Mr. Dharmander Kapoor has more than 28 years of experience in Leadership, Go-to-market Business Development, Enterprise IT delivery, Consulting/Transformation and Software Product Engineering. At Birlasoft, as the Chief Operating Officer, he manages its global operations, delivery, marketing and global business for BFSI, Europe and APAC. He is responsible for sustainable growth and margins. He has led the merger of Birlasoft (India) Limited with KPIT's IT services organization and is driving the integration and harmonization of the new organization for continued customer focus and growth. Mr. Kapoor is an executive with proven success and entrepreneurial leadership in growing businesses for information technology and solutions. As Chief Operating Officer at Birlasoft, he has shaped the new Birlasoft from being known as IT Service Provider for GE to an Enterprise Digital company. With his in-depth technical skills and impressive experience in consulting, he helped Birlasoft develop key IPs (3rdEye, ValueISM, Enterprise Digital, etc.) in delivering differentiated value to its clients. He is a regular speaker at industry events including Oracle OpenWorld, Dreamforce, NASSCOM, CIO Round Table, etc. and also enjoys publishing his thought leadership articles in various publications. He is known for his people and customer skills.

The remuneration payable is as per the recommendation of the Nomination and Remuneration Committee. Brief terms and conditions of his appointment are given below:

a) Basic salary and allowances in the range of ₹26,250,000/- to ₹37,800,000/- per annum. Within this range, the aggregate of basic salary and allowances may be revised by the Board of Directors or the Nomination and Remuneration Committee of the Board of Directors, from time to time.

b) The following perquisites shall be allowed to Mr. Kapoor in addition to basic salary and allowances mentioned above:

    - Company's contribution to Provident Fund;
    - Gratuity as per the policy of the Company in force, from time to time;
    - Encashment of leave as per the rules of the Company in force, from time to time;
    - Group medical insurance and group personal accident insurance as per the policy of the Company in force, from time to time; and
    - Annual club membership fees payable, up to a maximum of ₹10,00,000 (Rupees Ten Lakhs) per annum, in connection with Mr. Kapoor's membership in one club of his choice.

c) Incentive/performance bonus/variable pay (by whatever name called) will be paid based on the defined KRA's/BSC's and his performance against it and will be payable to him as per the incentive policy of the Company. Mr. Kapoor will be eligible to receive annual variable pay consisting of annual target performance bonus. Final variable incentive amount to be decided by the Board of Directors or the Nomination and Remuneration Committee of the Board of Directors, from time to time.

d) Stock Options will be finalized later.

e) The aggregate of basic salary, allowances, perquisites and variable incentive of Mr. Kapoor, shall not exceed 5% of the net profits of the Company subject to the condition that the total remuneration payable to Mr. Kapoor along with the total remuneration payable to the other Managing Director(s), if any, and the whole-time director(s), if any, together shall not exceed 10% of the net profits of the Company.

    Mr. Kapoor 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 the term of this appointment.

Further details of Mr. Kapoor are provided in the Annexure to this Notice.

Pursuant to the provisions of Section 196 of the Companies Act, 2013, the appointment and remuneration of a Managing Director shall require approval of the members of the Company.

Mr. Kapoor and his relatives will be deemed to be concerned or interested in the resolution.

Mr. Kapoor is not related to any other Director or Key Managerial Personnel of the Company or relatives of the Directors or Key Managerial Personnel.

The Board of Directors recommends the resolution for approval of the members of the Company, as set out at Item No. 12 of the Notice.

None of the other Directors, Key Managerial Personnel or any of their respective relatives are, in any way, concerned or interested, whether financially or otherwise, in this resolution.

Item No.: 13

Consequent upon the merger of Birlasoft (India) Limited with KPIT Technologies Limited it is considered desirable to replace the existing Articles of Association with a new set of Articles of Association.

Under the provisions of the Act, adoption of new set of Articles of Association has to be approved by a special resolution of the members.

A copy of the proposed new set of Articles of Association of the Company is available for inspection by the members, at the Company's registered office on all working days, except Saturdays, Sundays and holidays, during 11:00 a.m. to 01:00 p.m. upto the date of the Annual General Meeting and will be made available at the meeting. The same is also available on the Company's website at (https://www.birlasoft.com/company/investors/corporate-governance) and shall be available at the time of Annual General Meeting too.

The Board of Directors recommends the special resolution for approval of the members of the Company, as set out at Item No. 13 of the Notice.

None of the Directors, Key Managerial Personnel or any of their respective relatives are, in any way, concerned or interested, whether financially or otherwise, in this resolution.

Item No.: 14

Section 197 of the Companies Act, 2013, permits payment of remuneration to the Non-Executive Directors of a Company by way of commission, if the Company authorises such payment by way of a resolution of members. Regulation 17(6)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, authorises the Board of Directors to recommend all fees and compensation, if any, to the Non-Executive Directors, including Independent Directors and shall require approval of the members in general meeting.

The members, in the Annual General Meeting held on July 25, 2014, had approved payment of commission not exceeding 1% of the net profits to Non-Executive Directors of the Company, for a period of five years from the financial year 2014-15.

Considering the rich experience and expertise brought to the Board by the Non-Executive Directors and to acknowledge their contribution to the growth of the Company, it is proposed to continue paying commission to the Non-Executive Directors of the Company, every year, for a period of five more years starting with the financial year 2019-20, not exceeding 1% of the net profits, based on the recommendation of the Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

Such payment will be in addition to the sitting fees for attending Board/Committee meetings or for any other purpose whatsoever as may be decided by the Board and reimbursement of expenses for participation in the Board/Committee meetings.

Accordingly, this resolution is being proposed for the approval of the members.

The Board of Directors recommends the resolution for approval of the members of the Company, as set out at Item No. 14 of the Notice.

All the Non-Executive Directors of the Company and their respective relatives will be deemed to be concerned or interested in the proposed resolution to the extent of the remuneration that the Non-Executive Directors may be paid pursuant to this resolution.

None of the other Directors, Key Managerial Personnel or any of their respective relatives are, in any way, concerned or interested, whether financially or otherwise, in this resolution.

Annexure to the Notice calling Annual General Meeting

Details of Directors seeking appointment at the Annual General Meeting

<table>
<tr><th>Particulars</th><th>Mrs. Amita Birla</th><th>Mr. Chandrakant Birla</th><th>Mr. Ashok Kumar Barat</th><th>Ms. Nandita Gurjar</th><th>Mr. Prasad Thrikutam</th><th>Mr. Anjan Lahiri</th><th>Mr. Pawan Sharma</th><th>Mr. Dharmander Kapoor</th></tr>
<tr><td>Director Identification Number</td><td>00837718</td><td>00118473</td><td>00492930</td><td>01318683</td><td>06814004</td><td>06407055</td><td>01924215</td><td>08443715</td></tr>
<tr><td>Age (years)</td><td>62</td><td>64</td><td>62</td><td>58</td><td>54</td><td>53</td><td>50</td><td>52</td></tr>
<tr><td>Qualifications</td><td>GCE- A Level</td><td>Bachelor of Arts</td><td>Chartered Accountant & Company Secretary</td><td>Bachelor of Arts & Masters in Psychology</td><td>Mechanical Engineering & Masters in Business Administration</td><td>Bachelor of Technology & Masters in Business Administration</td><td>Bachelor of Engineering</td><td>Masters of Computer Application</td></tr>
<tr><td>Expertise in specific functional areas</td><td colspan="8">Kindly refer Item Nos. 5 to 12 respectively of the Explanatory Statement to the Notice calling Annual General Meeting.</td></tr>
<tr><td>Date of first appointment</td><td>January 15, 2019</td><td>January 15, 2019</td><td>January 15, 2019</td><td>January 15, 2019</td><td>January 15, 2019</td><td>May 23, 2018</td><td>January 15, 2019</td><td>June 1, 2019</td></tr>
<tr><td>Terms and conditions of appointment</td><td colspan="2">It is proposed to appoint as Non-Executive Director of the Company, liable to retire by rotation.</td><td colspan="3">It is proposed to appoint as an Independent Director of the Company, not liable to retire by rotation, for a period of five years, with effect from January 15, 2019.
The terms and conditions of appointment are given more elaborately in the appointment letter of Independent Directors displayed on the website of the Company at (https://www.birlasoft.com/company/investors/corporate-governance).</td><td colspan="3">Kindly refer Item Nos. 10, 11 and 12 respectively of the Explanatory Statement to the Notice calling Annual General Meeting.</td></tr>
<tr><td>Remuneration last drawn</td><td colspan="7">Kindly refer the Report on Corporate Governance of this Annual Report.</td><td>₹7,743,848/-</td></tr>
<tr><td>Remuneration proposed to be given</td><td colspan="5">Shall be eligible for the following:
a) Sitting fees for attending meetings of the Board or committee thereof or for any other purpose whatsoever as may be decided by the Board;
b) Reimbursement of expenses for participation in the Board and other meetings;
c) Profit related commission as may be approved by the members.
The terms and conditions of appointment are given more elaborately in the appointment letter of Independent Directors displayed on the website of the Company at (https://www.birlasoft.com/company/investors/corporate-governance).</td><td colspan="3">Kindly refer Item Nos. 10, 11 and 12 respectively of the Explanatory Statement to the Notice calling Annual General Meeting.</td></tr>
<tr><td>Number of Board meetings of the Company attended during the year</td><td colspan="7">Kindly refer the Report on Corporate Governance of this Annual Report</td><td>Not applicable as he is appointed with effect from June 1, 2019.</td></tr>
<tr><td>Directorships held in other companies (as on March 31, 2019)</td><td>a) Neosym Industry Limited
b) National Engineering Industries Limited
c) Orient Cement Limited
d) Birlasoft Inc. USA
e) Birlasoft (UK) Limited</td><td>a) Orient Paper & Industries Ltd.
b) Orient Cement Limited
c) Orient Electric Ltd.
d) National Engineering Industries Ltd.
e) HIL Limited
f) Neosym Industry Limited
g) AVTEC Ltd.
h) Birla Brothers Pvt. Ltd.
i) Birlasoft Inc., U.S.A.
j) Birlasoft (UK) Limited, London
k) ASS AG, Switzerland</td><td>a) Wacker Metroark Chemicals Private Limited
b) Mahindra Intertrade Limited
c) Cholamandalam Home Finance Limited
d) Cholamandalam Investment and Finance Company Limited
e) Cholamandalam Financial Holdings Limited
f) DCB Bank Limited
g) Ti Financial Holdings Limited
h) Bata India Limited
i) The Council of EU Chambers of Commerce in India</td><td>a) Galaxy Surfactants Limited
b) Sai Life Sciences Limited</td><td>NIL</td><td>a) Birlasoft Inc.
b) Birlasoft (UK) Limited
c) Enable Path LLC
d) KPIT Technologies France
e) KPIT Infosystems Limited (UK)
f) Birlasoft Solutions Inc.
g) Sparta Consulting Inc.
h) Birlasoft Computer Corporation
i) Birlasoft Technologies Canada Corporation
j) KPIT Technologies Solucoes EM Informatica LTDA
k) KPIT Infosystems Mexico S.A. DE C.V.
l) KPIT Infosystems ME FZE</td><td>a) Birlasoft Solutions Inc.
b) Sparta Consulting Inc
c) Birlasoft Computer Corporation
d) Birlasoft Technologies Canada Corporation
e) KPIT Technologies Solucoes EM Informatica LTDA
f) KPIT Infosystems Mexico S.A. DE C.V.</td><td>NIL (as on May 24, 2019 i.e. date of Board meeting in which his appointment was approved with effect from June 1, 2019).</td></tr>
</table>

Memberships/ Chairmanships of committees of other companies	National Engineering Industries Limited – Corporate Social Responsibility Committee; Audit Committee	a) National Engineering Industries Limited – Nomination & Remuneration Committee b) Orient Cement Ltd. – Nomination & Remuneration Committee; Implementation Committee; and Fund Raising Committee c) Orient Electric Ltd. – Nomination & Remuneration Committee	a) Wacker Metroark Chemicals Private Limited – Corporate Social Responsibility Committee b) Mahindra Intertrade Limited – Nomination & Remuneration Committee c) Cholamandalam Home Finance Limited – Audit Committee*; Nomination & Remuneration Committee; IT Strategy Committee* d) Cholamandalam Investment and Finance Company Limited – Audit Committee; Stakeholders Relationship Committee; Business Committee; Nomination & Remuneration Committee; IT Strategy Committee* e) DCB Bank Limited – Audit Committee*; Fraud Reporting and Monitoring Committee*; Risk Management Committee; Capital Raising Committee; Willful Defaulters Review Committee f) Ti Financial Holdings Limited – Nomination & Remuneration Committee*; Audit Committee; Corporate Social Responsibility Committee	NIL	NIL	NIL	NIL	NIL
Number of shares held in the Company	NIL	NIL	NIL	NIL	NIL	NIL	531,929	NIL
Relationship with other Directors and Key Managerial Personnel or their respective relatives	Spouse of Mr. Chandrakant Birla.	Spouse of Mrs. Amita Birla.	NIL	NIL	NIL	NIL	NIL	NIL

* Chairman of the Committee

INSTRUCTIONS FOR ELECTRONIC VOTING BY MEMBERS

I. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards issued by the Institute of Company Secretaries of India, the Company is pleased to provide members facility to exercise their right to vote on a resolution proposed to be considered at this Annual General Meeting ("AGM") by electronic means and the business may be transacted through e-voting. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting" or "e-voting") will be provided by the National Securities Depository Limited ("NSDL").

II. The facility for casting the vote through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. The remote e-voting period commences on Friday, August 2, 2019 (9:00 a.m.) and ends on Tuesday, August 6, 2019 (5:00 p.m.). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, July 31, 2019, may cast their vote by remote e-voting. The remote e-voting shall be disabled by NSDL after the remote e-voting period ends. Once the vote is cast, the Member shall not be allowed to change it subsequently.

V. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

VI. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holds shares as of the cut-off date i.e. Wednesday, July 31, 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or sandip.pawar@linkintime.co.in.

VII. The voting rights of members shall be in proportion to the number of shares held by the member as on the cut-off date, i.e. Wednesday, July 31, 2019.

VIII. The process and manner for remote e-voting are as under:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Click on "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After clicking on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares

for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter, etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to jbbhave@gmail.com. Please mention the e-mail ID of Scrutinizer with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

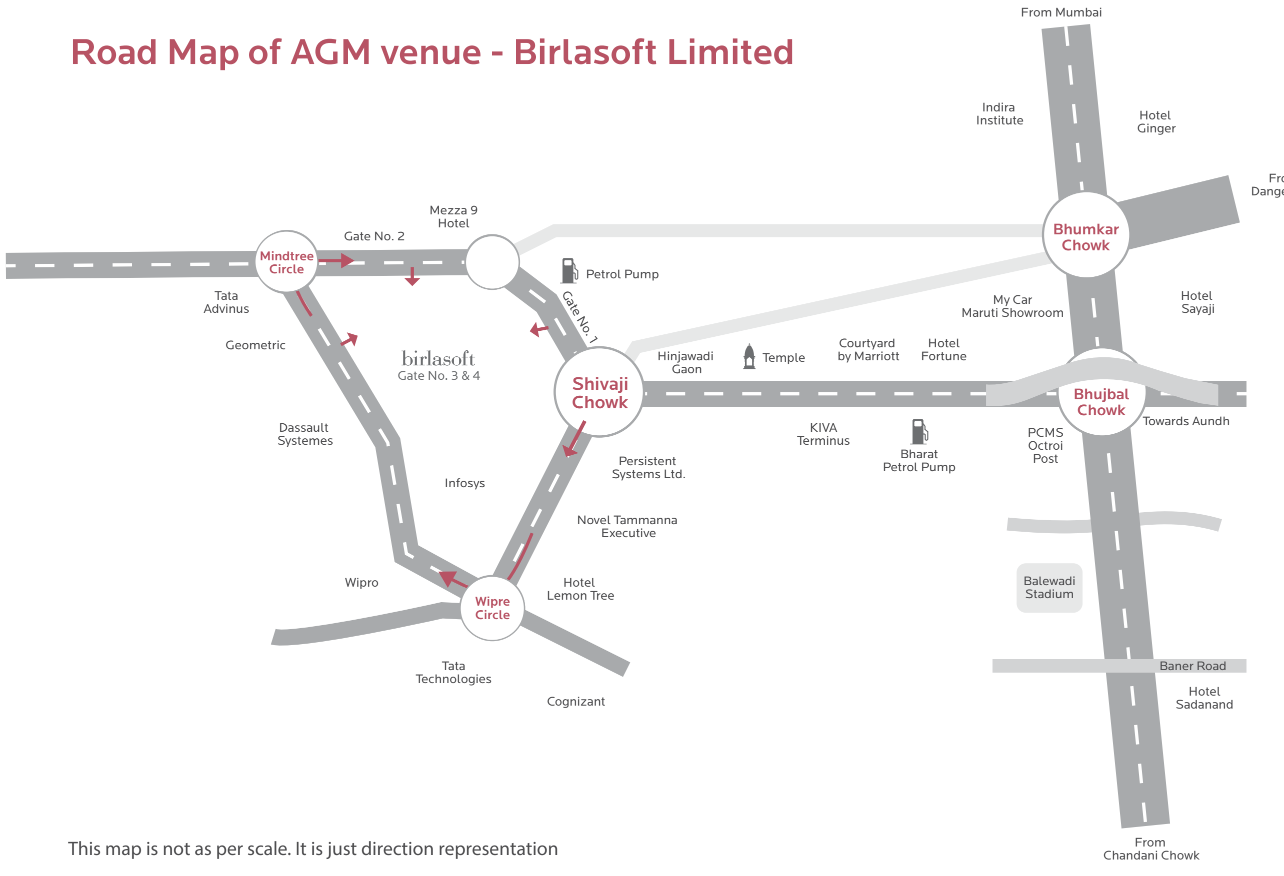
IX. The Company has appointed Mr. Jayavant Bhave, Proprietor, J. B. Bhave & Co., Practicing Company Secretaries, as the Scrutinizer to scrutinize the e-voting process and ballot process in a fair and transparent manner.

X. The Chairman will, at the end of discussion on the resolution on which voting is to be held, allow voting by use of "Ballot Paper" for all those members who are present at the AGM and have not cast their votes by availing the remote e-voting facility.

XI. The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, to the Chairman or a person authorized by her in writing, who shall countersign the same and declare the result of the voting forthwith.

XII. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company (www.birlasoft.com) and on the website of NSDL (www.evoting.nsdl.com) immediately after the declaration of result by the Chairman or a person authorized by her in writing. The results shall also be immediately forwarded to the stock exchanges where the shares of the Company are listed.

Road Map of AGM venue - Birlasoft Limited



This map is not as per scale. It is just direction representation

birlasoft

BIRLASOFT LIMITED

(formerly KPIT Technologies Limited)
CIN: L72200PN1990PLC059594
Registered Office: 35 & 36, Rajiv Gandhi Infotech Park, Phase – I, MIDC,
Hinjawadi, Pune – 411057, India.
Tel.: +91-20-6652 5000 I Fax: +91-20-6652 5001 I Email: contactus@birlasoft.com I Website: www.birlasoft.com

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):	
Registered address:	
E-mail ID:	
Folio No./Client ID:	
DP ID:	

I/We, being the member(s) holding ____________________ equity shares of the above named Company, hereby appoint:

1) Name: ______________________________ Email ID: ______________________________

Address: ____

______________________________ Signature: ____________________ or failing him/her

2) Name: ______________________________ Email ID: ______________________________

Address: ____

______________________________ Signature: ____________________ or failing him/her

3) Name: ______________________________ Email ID: ______________________________

Address: ____

______________________________ Signature: ____________________ or failing him/her as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28h Annual General Meeting of the Company to be held on Wednesday, August 7, 2019 at 4.00 p.m. at Birlasoft Auditorium, SDB-II, 35 & 36, Rajiv Gandhi Infotech Park, Phase - I, MIDC, Hinjawadi, Pune – 411057 and at any adjournment thereof in respect of such resolutions as are listed below:

Resolution No	Resolutions:
1.	To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2019, together with the reports of the Auditors and the report of the Board of Directors thereon.
2.	To receive, consider and adopt the Audited Consolidated Financial Statements for the financial year ended March 31, 2019, together with the reports of the Auditors thereon.
3.	To declare dividend for the financial year ended March 31, 2019.
4.	To re-appoint the Statutory Auditor to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2023.
5.	To appoint Mrs. Amita Birla (DIN: 00837718) as a Director & Chairman of the Company.
6.	To appoint Mr. Chandrakant Birla (DIN: 00118473) as a Director of the Company.
7.	To appoint Mr. Ashok Kumar Barat (DIN: 00492930) as an Independent Director of the Company.
8.	To appoint Ms. Nandita Gurjar (DIN: 01318683) as an Independent Director of the Company.
9.	To appoint Mr. Prasad Thrikutam (DIN: 06814004) as an Independent Director of the Company.
10.	To approve the remuneration paid to Mr. Anjan Lahiri (DIN: 06407055) who was appointed as Managing Director & Chief Executive Officer of the Company, for the period from January 16, 2019 till May 31, 2019.
11.	To approve the remuneration paid to Mr. Pawan Sharma (DIN: 01924215) who was appointed as Whole – time Director of the Company, for the period from January 15, 2019 till May 31, 2019.
12.	To appoint Mr. Dharmander Kapoor (DIN: 08443715) as the Chief Executive Officer (CEO) & Managing Director of the Company, for a period of three years, with effect from June 1, 2019.
13.	To adopt a new set of Articles of Association of the Company.
14.	To approve the commission to be paid to the Non-Executive Directors of the Company, for a period of 5 years commencing from the financial year 2019-20.

Signed this ______________ day of _________________2019.

Signature of the shareholder ____

Signature of proxy holder(s)____

Affix
Revenue
Stamp

Note:

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company. The proxy, in order to be effective, must be duly filled, stamped, signed and deposited at the registered office of the Company not later than 48 hours before the commencement of the meeting.

Birlasoft's global presence

India offices

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Custom Wing Unit,
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+91-22-71054001

Prince Infocity II, 8TH FLOOR,
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OMR, Kottivakkam Village,
Kandanchavadi,
Chennai, Tamil Nadu- 600096
Phone: +91-44-22502371/+91-44-61432000

Tower 1, 4Th Floor Plot No. 13, 14 & 15,
SJR 1 Park Industrial Area Of Hoodli
Village,
Krishnarajapuram, Hobli, Bangalore,
Karnataka- 560027
Phone: +91-80 4180 0000

Tower 3, Plot No 22, Sector 135,
Expressway Noida, 201301
Phone:+91-120 6629000

Other Premises
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C3 to C7, Thiru-Vi-Ka Industrial Estate
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Fax: +971-4-2998843

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50470 Kuala Lumpur
Wilayah Persekutuan
Malaysia

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Netherlands

Poland
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Switzerland CH-8050

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